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## **MISSION**

We shape a safe, high quality, sustainable and friendly built environment

## **VISION**

A future-ready built environment for Singapore





# STRATEGIC THRUSTS

In line with our mission and vision, our strategic thrusts are:

- 1. A Caring and Innovative Organisation
- 2. A Safe and High Quality Built Environment
- 3. A Friendly and Sustainable Built Environment
- 4. An Advanced and Productive Built Environment Sector
- 5. Effective Partnerships with Our Stakeholders

## CORE VALUES

#### **WE CARE**

We care for our staff, our customers, the community and the environment

#### **WE DARE**

We dare to be innovative in transforming BCA and the built environment

#### **WE CAN**

We can overcome all challenges with courage, confidence and commitment

## **Corporate Governance**

BCA is committed to good corporate governance. We have put in place a Code of Corporate Governance to formalise the principles and practices of governance within BCA to ensure accountability, responsibility and transparency.

#### **Board Members**

The Board currently comprises 14 members. All are non-executive members, except Dr John Keung who is BCA's Chief Executive Officer (CEO). The Board comprises representatives from the industry, academia and ministries. The diverse representation of the Board provides an appropriate range of experience, skills, knowledge and perspectives to enable it to play an active role in guiding BCA to achieve its mission and vision. The Chairman provides strategic leadership and guidance to the Management of BCA, and ensures that discussions are fairly, objectively and independently conducted. The Board meets at least six times a year to evaluate, approve and monitor the plans and budgets of BCA. It also oversees the work and performance of the Management and assesses the financial health of BCA. The BCA Act empowers the Board to form committees from among its members to support the work of the Board.

#### Finance and Audit Internal Controls

The Board ensures that the Management maintains a sound system of internal controls to safeguard the interests and assets of BCA. It also ensures that a review of BCA's material internal controls, including financial, operational and compliance as well as risk management, is conducted annually through internal and/or external audits according to the direction of the Audit Committee.

#### **Audit Committee**

The Audit Committee reviews the audited financial statements with external auditors, as well as reviews audit plans and observations of the external and internal auditors. It also ensures that the Management takes appropriate action for audit observations and the Audit Committee's recommendations. The Audit Committee also provides guidance for BCA's Fraud Reporting policy. All members in the Audit Committee are non-executive members.



## **Corporate Social Responsibility**

BCA is dedicated to contributing to the well-being of the community and the environment through our efforts in shaping a sustainable and friendly built environment.

#### **Serving The Community**

To us, serving the community is a privilege. Embedded in our core value, We Care, we take pride in each and every contribution as we serve with our hearts for the good of the community and to promote an inclusive society. To achieve this, BCA will:

- shape a friendly built environment for Singapore through improving accessibility and promoting Universal Design;
- inculcate a spirit of volunteerism among staff;
- organise purposeful programmes that help to bring, about a better built environment for all; and
- raise public awareness of the importance of a friendly built environment through dialogues, public education and collaborative projects.

## Greening The Built Environment (BCA's Environmental Policy)

BCA takes pride as the Green Leader for Singapore's built environment. Care for the environment is embedded strongly in our core values, and we are committed to championing this worthy cause together with our stakeholders to help promote environmentally sustainable developments. To achieve this, BCA will:

- spearhead green strategies and initiatives towards sustainability in the built environment;
- champion and lead the building and construction industry in the development of sustainable building and sustainable construction;
- actively engage stakeholders through dialogues, public education and collaborative projects; and
- inculcate environmental awareness and commitment amongst our staff through educational and actionable programmes.



## **Chairman's Message**



2015 IS A **MOMENTOUS** YEAR FOR **BCA AS WE CELEBRATE** 10 YEARS OF GREEN MARK.

In the past five decades, the built environment sector has undergone tremendous changes and progress. This year has been full of festivities to celebrate our nation's big 50th birthday - and rightly so. Take a look around us and we can appreciate the great advancement in Singapore's built environment landscape. This is also a testament of BCA's hard work - a safe, high quality, sustainable and friendly living environment for the benefit of our community.

In the lead-up to SG50, 2014 had been a busy and fulfilling year for BCA. Propelling our industry to reach greater heights has always been one of our key priorities to achieve a better built environment. We have been working closely with industry partners to put in place the necessary infrastructure, which is the hardware, while we also look into the needs of our people - the software.

There are a few near-term key priorities for BCA and the industry:

- Improving productivity and changing the way we build
- Developing Singapore into a smart nation
- Mitigating the impact of climate change
- Ensuring social sustainability despite our demographic challenges









We have been encouraging the industry to **change the way we build** by planning, designing and constructing more

productively through advanced technologies like the Building Information Modelling (BIM) and adopting the Design for Manufacturing and Assembly (DfMA) concept. The aim is not only to reduce the number of workers on site, but also lower the impact of construction works on the neighbourhood such as noise and dust.

2015 is a momentous year for BCA as we celebrate 10 years of Green Mark. The past decade of our continuous efforts to drive green initiatives in the built environment has been encouraging.

We will be doing more to champion the next level of development for green buildings by **revamping our Green Mark criteria.** There will be more emphasis on the use of smart control strategies and technologies whereby buildings can respond to occupiers' needs. There's also much to do in educating users of buildings to play their part in reducing energy consumption. BCA will continue to reach out to the public and students through roadshows, exhibitions and competitions.

As we look ahead into the future, we also need to consider the challenges of an ageing population. To accommodate the needs of an increasingly diverse, pro-family and ageing population, we need to ensure that our

workplaces and living spaces are accessible and designed for all. BCA will continue to actively push for Universal Design as a key component in building design and operation.

We will also explore better ways to equip the community with knowledge on the most accessible routes and facilities such as accessible toilets and nursing rooms to meet their needs. For instance, the smartphone application which BCA recently rolled out will make life better for users as they can find out where exactly to go.

Looking ahead, the next 50 years will hold plenty of opportunities for **BCA to seek** 

better ways to champion a future-ready built environment. BCA will continue to innovate and work closely with the industry to find ways to transform the way we work to deal with the coming challenges. Together, we can create a better and future-ready built environment for all.



As we look ahead into the future, we also need to consider the challenges of an ageing population. To accommodate the needs of an increasingly diverse, pro-family and ageing population, we need to ensure that our workplaces and living spaces are accessible and designed for all.

> MR QUEK SEE TIAT Chairman

> > MR QUEK SEE TIAT Chairman

## **Board Members**



#### 1. MR QUEK SEE TIAT

Chairman

**Building and Construction Authority** 

#### 2. MR LEE FOOK SUN

Deputy Chairman

President

Singapore Technologies Electronics Ltd

#### 3. DR JOHN KEUNG

Chief Executive Officer

**Building and Construction Authority** 

#### 4. MR LIM MING YAN

President and Group CEO CapitaLand Limited

#### 5. MS KALA ANANDARAJAH

Partner

M/s Rajah & Tann LLP

#### 6. MR JOHN LIM

Director

Higher Education Division Ministry of Education

#### 7. MR NORMAN IP

Independent Director

The Straits Trading Company Limited



#### 1. MR YONG TIAM YOON

Deputy Chairman Woh Hup Pte Ltd

#### 2.MR FRANKIE CHIA SOO HIEN

**Managing Partner** BDO LLP

#### 3. PROF HENG CHYE KIANG

Professor and Dean

 $School\ of\ Design\ and\ Environment$ National University of Singapore

#### 4.MR PEK LIAN GUAN

Managing Director

Tiong Seng Contractors (Pte) Ltd

#### **5. MR KHAIRUDIN SAHAROM**

Principal and Director

Kite Studio Architecture Pte Ltd

#### 6. ER. LAI HUEN POH

Managing Director

RSP Architects Planners & Engineers (Pte) Ltd

#### 7. MR HAN FOOK KWANG

Editor-at-Large

The Straits Times

Singapore Press Holdings Ltd

## **Senior Management**



1. DR JOHN KEUNG

Chief Executive Officer

2. ER. LAM SIEW WAH

Deputy CEO, Industry Development

3. ER. ONG SEE HO

Deputy CEO, Building Control

4. ER. WILLIAM TAN

Managing Director, BCA Academy Group Director, Business Development

5. MR CHOO WHATT BIN

Executive Director, Services

6. MR BENEDICT TAN

Senior Advisor

7. ER. ONG CHAN LENG

Senior Technical Director

Senior Technical Director's Office

8. MR TAN TIAN CHONG

Group Director, Research



#### 1. MR ANG KIAN SENG

Group Director, Technology Development

#### 2. MR ANG LIAN AIK

Group Director, Construction Productivity Centre

#### 3. MR CHENG TAI FATT

Deputy Managing Director, BCA Academy

#### 4. ER. CHEW KEAT CHUAN

Group Director, Building Engineering

#### 5. MR CHIN CHI LEONG

Group Director, Building Plan & Management

#### 6. MS JEANNA DAS

Group Director, Corporate Development

#### 7. MR KOH LIN JI

Group Director, International Development

#### 8. MR NEO CHOON KEONG

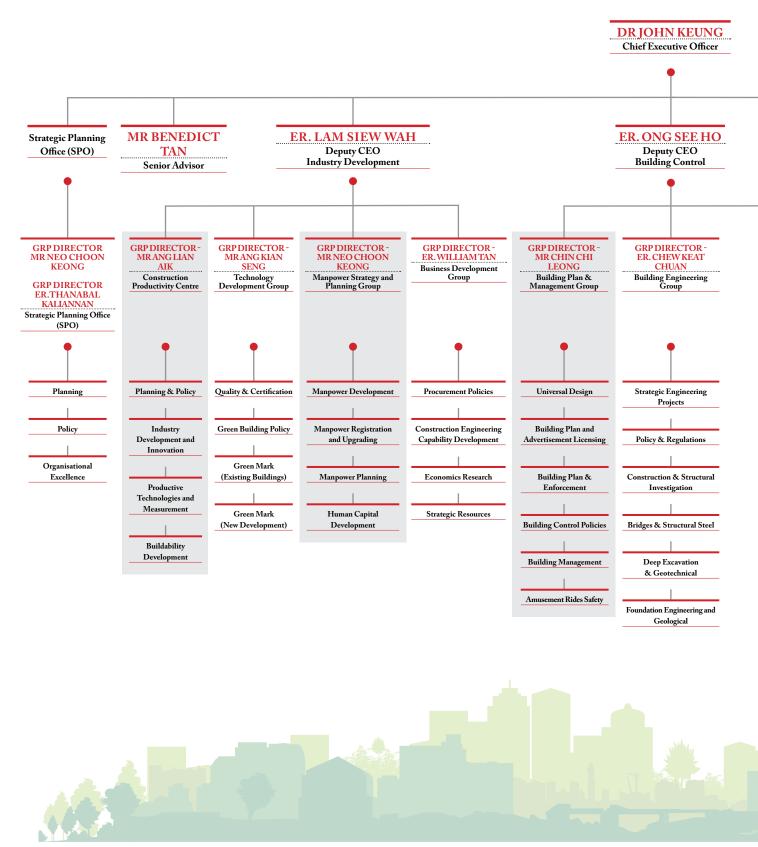
 $Group\ Director, Manpower\ Strategy\ and\ Planning$ Group Director, Strategic Planning Office

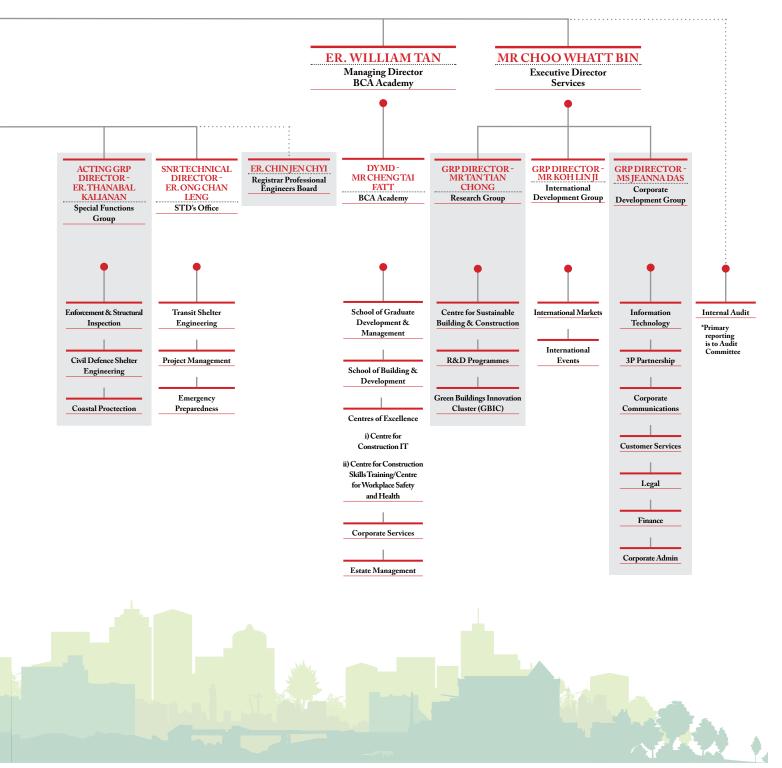
#### 9. ER. THANABAL KALIANNAN

Acting Group Director, Special Functions 2nd Group Director, Strategic Planning Office

## **BCA Organisation Structure**

(with effect from 9 July 2015)









## Sustainability

#### Launch of Third Green Building Masterplan

Consisting of three strategic goals – Continued Leadership (LEAD),
Wider Collaboration and Engagement (ENGAGE), and Proven Sustainability
Performance (SUSTAIN), the third
Masterplan will accelerate the proliferation of green buildings and contribute towards
Singapore's overall efforts to provide a quality living environment for its people.

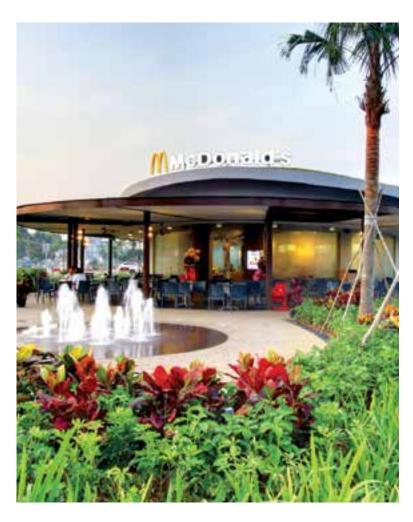
## **International Green Building Conference** (IGBC) 2014

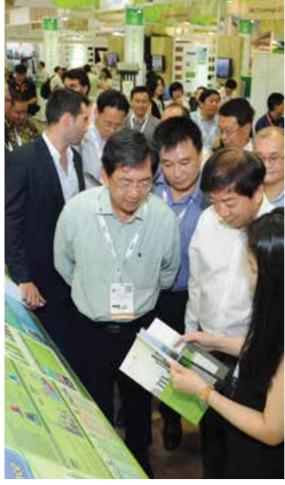
In line with the goals of the third Masterplan,

BCA's annual International Green Building Conference (IGBC) 2014 was themed "Build Green: Lead, Engage and Sustain". The event attracted more than 1,200 international participants from 36 countries. It provided a platform for global green building experts, industry leaders, policy makers, academics, youth and students to explore collaborative opportunities and exchange innovative ideas to drive the adoption of greener and more sustainable building practices.

Bottom left: The third Green Building Masterplan would place greater emphasis on the behaviour and practices of tenants and occupants

Bottom right: The Singapore Green Building Week 2014 which saw 17 co-located events, showcased innovative green building solutions and technologies





Right: To kick start the GBIC initiative, an establishment of partnership between BCA and eight key developers and building owners was formalised

Bottom left: HDB's Kampung Admiralty was awarded the BCA Green Mark Platinum Award under the new buildings category in FY2014

Bottom right: Parliament House was awarded the BCA Green Mark Platinum Award under the existing buildings category in FY2014



#### **Green Buildings Innovation Cluster** (GBIC)

Research, development and demonstration (RD&D) will play a significant part in BCA's third Green Building Masterplan to push the envelope and accelerate the adoption of energy efficient technologies and solutions for the industry. The Singapore government through the National Research Foundation (NRF) has set aside S\$52 million over a five-year tranche to set up an integrated RD&D hub, the Green Buildings Innovation Cluster (GBIC). GBIC was launched by the Senior Minister of State for National Development, Mr Lee Yi Shyan, in September 2015.

To kick start the GBIC initiative, an establishment of partnership between BCA and eight key developers and building owners was formalised during the same event.

#### Public Sector Taking the Lead in Environmental Sustainability (PSTLES)

Under the third Green Building Masterplan, new initiatives were rolled out to inspire greater ownership for environmental sustainability efforts within the public sector.

BCA is a core member of the Environmental Sustainable Advisory team, which advises the public sector on sustainable practices within the built environment. BCA is also part of the Steering Committee overseeing the implementation of PSTLES 2.0.

As an integral part of PSTLES, all new public sector buildings with more than 5,000m<sup>2</sup> of the gross floor area were required to achieve Green Mark Platinum Rating. Larger existing public sector buildings with floor area larger than 10,000m<sup>2</sup> will need to be retrofitted to achieve Green Mark Gold<sup>Plus</sup> Award by 2020. Other requirements include Green Mark for Office Interior certification for all public sector office spaces at their next retrofit, and for public sector tenants to rent from at least a Green Mark Gold<sup>Plus</sup> certified building.







Left: NTUC Fairprice is the pioneer partner of the Green Mark Portfolio scheme

Bottom: Parkway Parade is the first Green Mark Platinum retrofitted mall

#### **BCA Green Mark Portfolio Programme**

Beyond buildings, users or building occupants also have a significant impact on the amount of energy consumed.

The BCA Green Mark Portfolio Programme is designed to meet tenants' needs for a streamlined approach to certify similar spaces across a portfolio of projects. The Portfolio Programme is applicable to companies which commit to certify at least 20 projects within a three-year time span. Multiple tenants within a single building using shared and common air-conditioning and lighting systems or other applicable common facilities are also able to participate in this programme.

## Green Mark Incentive Scheme for Existing Buildings (GMIS-EB)

BCA continued to support the industry through incentive schemes for both new and existing buildings to accelerate the adoption of Green Mark initiatives.

The Health Check scheme whereby BCA has been co-funding the cost of conducting an energy audit for existing buildings to determine the efficiency of the air-conditioning plants is still open for application. As at end FY2014, BCA has received 58 Health Check applications.

## Green Mark Incentive Scheme for Existing Buildings and Premises (GMIS-EBP)

BCA has also rolled out a new incentive scheme in the form of the GMIS-EBP. It focuses on incentivising small & medium enterprise (SME) building owners and tenants, or building owners with at least 30% SME tenants. This is the Singapore government's first targeted initiative in engaging SME building owners and tenants to embark on environmental sustainability and improve energy efficiency standards of their buildings and premises and is aligned to the third Masterplan's focus on tenants.



Right: North Bridge Centre is one of the first projects to be financed through BREEF

Bottom: More than 350 engineers, facilities managers and building owners attended an industry briefing conducted by BCA on the new legislative requirements for existing buildings



#### **Building Retrofit Energy Efficiency Financing** (BREEF)

In FY2014, the BREEF scheme was enhanced to increase BCA's default risk share from 50% to 60% to motivate higher take-up by Participating Financial Institutions (PFI) to better assist Management Corporation Strata Titles (MCSTs) and small- and medium-sized building owners in securing financing for EE retrofits. The scheme was also extended to residential buildings. Eight building projects have been funded to date, with a total loan amount of close to \$\$13 million. Some of the buildings funded include North Bridge Centre and Bukit Timah Shopping Centre.

#### Green Mark Gross Floor Area

The Green Mark Gross Floor Area is a nonfinancial incentive scheme, jointly introduced by BCA and URA in April 2009 for a period of five years. The scheme awards additional gross

floor area above the Masterplan gross plot ratio to projects that target to achieve higher-tier Green Mark ratings of Platinum or Gold<sup>Plus</sup>. As the scheme was found to be successful in encouraging uptake of higher tier GM rating, it has been extended for another five years till 2019. As at end of FY2014, a total of 108 applications have been approved with 51 projects targeting Platinum and 57 projects targeting Gold<sup>Plus</sup> rating, accounting for over 55,000m<sup>2</sup> of green bonus gross floor area.

#### Legislation on Environmental Sustainability for Existing Buildings

To support the three-yearly periodic audit requirement of building cooling systems, the Building Control Act called for the setting up of a BCA Energy Auditor scheme to accredit competent building professionals as qualified BCA-registered Energy Auditors to carry out these audits. To date, more than 40 Energy Auditors have been successfully registered with BCA.





#### Offices

**52%** 

**Building Owner's Electricity Consumption** 

48%

Tenants' Electricity Consumption

#### **Retail Buildings**

Building Owner's Electricity Consumption

50% Tenants' Electricity Consumption

#### **BCA Building Energy Benchmarking Report** (BEBR) 2014

From 1 July 2013, owners of commercial buildings must complete the submission of their building information and energy consumptoin data through BCA's online submission portal, the Building Energy Submission System (BESS) annually. The key findings from the data submitted were published in the inaugural BCA BEBR 2014.

According to the report, building occupants and tenants can take up as much as 50% of the total electricity consumption of a building. However, the energy utilisation index (EUI) of commercial buildings has improved by 5% from 2008 to 2013 and Green Mark-rated commercial buildings are typically more energy efficient than non-Green Mark commercial buildings.

#### Building Energy Efficiency R&D Roadmap

On 30 July 2014, the National Climate Change Secretariat (NCCS) and the

National Research Foundation (NRF), Prime Minister's Office, Singapore, unveiled five national energy technology Roadmaps to guide government agencies in formulating their technology Masterplans and funding initiatives.

The Building Energy Efficiency R&D Roadmap developed by a BCA-led inter-agency working committee, with inputs from industry stakeholders, academic experts and technical consultants, identified technology focus areas where R&D investment can bring forward technologies to improve energy efficiency in buildings.

#### International Tropical Architecture Design Competition for Institutes of Higher Learning

The fourth instalment of the competition attracted a total of 70 entries from 13 countries including Australia, Costa Rica, Germany, India, Indonesia, Malaysia, Philippines, Kenya and USA.



Top and bottom right: The Zero Energy Building (ZEB), BCA's flagship R&D project

Bottom left: ZEB's Building Management System showing cumulative energy production and consumption. The surplus electricity is approximately 62MWh

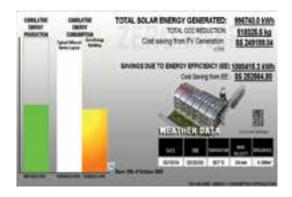


## Leading the Way to Net Zero, 2009-2014: Inside SE Asia's First Retrofitted Zero Energy Building

To commemorate the fifth anniversary of the completion of the Zero Energy Building (ZEB), BCA launched our second publication, titled 'Leading the Way to Net Zero, 2009-2014: Inside SE Asia's First Retrofitted Zero Energy Building'. The booklet highlights the principles used to guide the design of the building, as well as the challenges faced in the undertaking of this project. ZEB has been in operation for more than four years and has accumulated a net surplus of more than 55 MWh of electricity, enough to power 144 flats each of about 100 square metres, for a month.

#### BCA Centre for Sustainable Buildings (BCA CSB)

In FY2014, BCA and the United Nations Environment Programme (UNEP) extended the Memorandum of Understanding (MOU) for their collaboration on the BCA CSB for three more years to 2017. The BCA CSBC is the first UNEP collaborating centre in Asia, and one of the few UNEP collaborating centres in the world. The partnership has been of mutual benefit with a common goal in greening buildings and reducing greenhouse gas emissions in the region, and is an endorsement of Singapore's leadership and efforts to drive sustainable development.







Left: Singapore Green Pavilion at 10th Beijing IGEBC

Bottom: Inaugural Overseas Green Mark Manager Course in Tianjin, China

To date, BCA CSB has hosted three workshops for countries such as Brunei Darussalam, Indonesia and Malaysia, benefitting more than 60 policy makers in green building policy development.

BCA CSB has also documented BCA's experience of retrofitting an existing building at the BCA Academy into a Zero Energy Building – a first in South East Asia. In FY2014, BCA CSB co-authored the "Guidebook for the Development of Nationally Appropriate Mitigation Actions (NAMAs) for Energy Efficient Buildings in Tropical Climates" in partnership with UNEP-DTU, contributing to better understanding of

effective building sector policy frameworks in the tropics.

#### Green Mark Leadership

BCA also led 37 groups of delegates overseas to raise the international stature of Singapore as a hub for green buildings expertise.

A total of 10 Singapore Green Forums and eight Singapore Green Pavilions were organised overseas. BCA also conducted an inaugural Overseas Green Mark Manager (OGMM) course in China with 24 students. At least 18 potential Green Mark projects are expected to be initiated over the next few years out of the first batch of OGMM participants.



### **User-friendliness**

In FY 2014, BCA continued with a slew of initiatives to encourage and incentivise the industry to take up UD-friendly schemes to build a more inclusive living environment to benefit people of various ages and different mobility needs.

Right: The Interlace was conferred the UD Mark Awards Platinum in 2014



#### Universal Design (UD) Mark Certification Scheme

UD Mark provides a systematic scoring criteria to guide developers and architects in designing for UD in both new and existing buildings. To date, BCA has received a total of 85 applications from both public and private sector developments. In 2014, BCA also collaborated with the National Parks Board to launch a new UD Mark Certification Scheme for parks and public spaces, with the intention of extending UD concepts to these open spaces.

#### **UD** Assessors Course

In anticipation of higher demand for expertise in UD, BCA Academy runs a "Certification"

Course for Universal Design Assessors" to equip building professionals with the relevant skills and knowledge in accessibility and UD. Since its inception, a total of 295 industry professionals have completed the course.

#### **UD Club**

BCA also set up a "UD Club" in 2014 to provide an informal platform for like-minded professionals to network and exchange ideas on topics relating to UD. Through such forums, BCA hopes to tap on diverse and unique creative perspectives of designers, advocates and building owners to further





Left: Senior Minister of State Lee Yi Shyan put on the aged simulation set to experience restriction in mobility faced by the elderly

Bottom: Handicaps Welfare Association (HWA) signed a Memorandum of Understanding (MOU) with BCA and the Singapore Institute of Architects

expand the boundaries of UD in terms of its marketability and practical application in the built environment.

#### Inaugural Singapore Universal Design Week

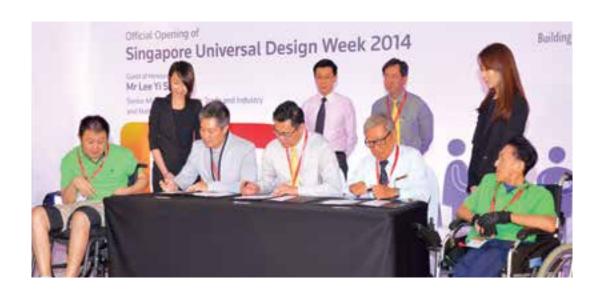
The five-day event, including a conference, exhibitions, workshop and other activities, created an effective platform for policy makers, academics, industry stakeholders and voluntary welfare organisations to network and share their knowledge in achieving an inclusive built environment through UD.

BCA, the Singapore Institute of Architects and the Handicaps Welfare Association signed a MOU to

provide BIM training and employment for persons with disabilities in the built environment sector. This MOU is the first tripartite co-operation in the area of Universal Design social enterprise to push for greater employability for persons with disabilities.

#### Accessibility Upgrading

To encourage private sector owners of pre-1990 buildings to undertake accessibility upgrading, a S\$40 million Accessibility Fund was introduced by BCA in 2007. Grants can be used to cover part of the construction costs for basic accessibility features as well as elder and family-friendly facilities. Since the Fund's inception, BCA has received 181 applications



Right: A Walk in the Park was held to raise awareness of disability issues amongst the public and the industry

Bottom: BCA has been working with representatives of private estates to improve the living environment which includes barrier-free accessibility features



from owners of religious buildings, private schools, healthcare institutions, condominium developments and commercial buildings such as shopping complexes, hotels and office buildings.

#### Private Estate Upgrading

As the managing agent for Ministry of National Development (MND), BCA manages the Estate Upgrading Programmes (EUP) for 43 private estates which are at various stages of planning, consultation and construction works. During the year, construction of upgrading works for six estates was completed, resulting in improvements in the common living environment of private

estates. BCA has also been working with these estates to incorporate barrier-free accessibility features in the upgrading process such that people of various ages and different mobility needs can move around the estate with ease.

In FY2014, BCA also managed three cycles of upgrading works under the Interim Estate Upgrading Programme (I-EUP) for all private estates with the partnership and involvement of the Citizens' Consultative Committees (CCCs). Construction works for the first cycle are completed and the second cycle is in progress. Construction tenders for the third cycle have also commenced.









## **Safety**

FY2014 was a busy year for BCA, with an increase of approximately 3% in the number of structural plans submissions and site inspections as compared to FY2013.

#### **MRT Construction**

Tunnelling works for the new MRT Downtown Line 3, which passes through some buildings, were closely monitored and completed safely.

#### **Pre-consultation**

As building structures become more complex, BCA introduced a new early pre-consultation process in January 2015 in consultation with the industry. The process requires Qualified Persons (QP) of such buildings to present the structural scheme to BCA before making the first building or structural plan submission. The aim is to provide greater clarity to the

project team on design considerations required for such complex projects.

#### Pro-enterprise Approach

A review of existing building regulations was also completed in FY2014, resulting in a more pro-enterprise approach towards site supervisor accreditation and deployment. The regulations will be updated to allow phased deployment of accredited Site Supervisors at the initial and end phases of the projects when construction activity is lower. Greater flexibility has also been incorporated to enable QPs to substitute one Resident Engineer (RE) with two Resident Technical Officers (RTO) for projects requiring more than one RE.





#### Migration to Eurocodes

To prepare the industry for the switch to Eurocodes for the structural design of all new projects from 1 April 2015 after two years of co-existence with Singapore Standards/British Standards, BCA ramped up the number of briefings for Eurocode requirements, partnering closely with stakeholders from universities and professional institutions. A suite of Eurocode design spreadsheets for steel and composite designs were also co-developed with the industry.

#### Geological Survey and Investigation Works

The Singapore Geological Office (SGO) was formed in 2010 to build up a centralised repository of geological information in Singapore to facilitate future developments of deep underground and borehole data sharing with agencies. In FY2014, several geological survey and investigation works were carried out at selected study areas by SGO. SGO also supports agencies in the development of the underground Masterplan and legislative framework for subterranean land rights.

#### Foreshore Structure Maintenance

BCA inspected and maintained 15km of foreshore structures on behalf of MND in FY2014. BCA will be taking on more foreshore structures to be maintained when more coastal land comes under MND as part of the round island park connector network.

#### **Safety in Numbers (FY2014)**

Lift and

escalator

incidents

attended



3,566

Advertisement licences issued



Lift Inspections



6,928

**Building Plans** processed



Notice to Suspend Issued



Amusement

Ride Operating

Permits Issued

TOPs approved



Closure Orders Served



New Amusement Rides Approved



**Dangerous Building** Orders Served



Left: BCA has enhanced the tremor monitoring and management system with new features

#### Tremor Monitoring and Management

BCA has developed a new tremor monitoring and management system with enhanced features and functions. Enhancements include auto-generation of structural assessment reports and graphs of building response in relation to tremor intensities registered in these instrumented buildings. These enhancements will also enable better understanding of tremor effects on buildings located at different ground conditions.

#### **Coastal Protection**

BCA's Risk Map Study (RMS) is the first coastal flood risk study at national level in Singapore. The study findings are currently being used as inputs for the Coastal Adaptation Study (CAS).

The CAS seeks to develop strategies to safeguard Singapore's long-term coastal protection needs against the risk of rising sea levels.

#### Transit Shelter Testing and Commissioning

In response to the LTA's accelerated programme for completion of the MRT Downtown Line Stage 2 (DTL2) along Bukit Timah and Upper Bukit Timah Roads, BCA witnessed and assessed a set of major Civil Defence tests in four out of seven DTL2 transit shelters. Cashew, Bukit Panjang, Beauty World and Hillview Civil Defence stations are ready to be fitted out and opened for rail operations.

#### Overseas Civil Defence Equipment Testing

In July 2014, BCA witnessed and assessed the batch tests of blast valves and air filters to be supplied and installed in eight DTL3 transit shelters. These tests were conducted overseas and included blast, shock and chemical effects applied on the equipment.



#### **Number of House Shelters commissioned** in FY 2014

# 39,442

#### Household Shelter Design

BCA played a key proactive role in providing consultancy on the design and detailing of modulated and standardised details of precast HS to improve productivity. This effort was essential in guiding the construction industry on the production of precast shelters using welded mesh and lesser steel moulds.

#### Dangerous buildings/slopes

Due to building safety concerns such as those arising from incidents like fire, BCA issues closure orders to ensure public safety. A total of 37 Closure Orders and 39 Dangerous Building orders were served in FY2014.

#### Amusement Rides Safety

In December 2014, BCA launched an Amusement Rides Safety Management (ARSMS) guide for

#### **Number of Staircase Shelters commissioned** in FY 2014



the industry. The ARSMS guide serves to provide a framework for amusement ride owners in setting up a structured safety management system that would ensure a standard industry-accepted level of quality to bridge gaps in existing safety practices. To date, a quarter of existing ride owners have successfully established a safety management system for their rides.

2014 also saw the opening of six new rides in Singapore. These include the "Spirit of Singapore" boat ride at Madame Tussauds Singapore as well as the world's first Puss in Boots' Giant Journey ride, a suspended roller coaster at Universal Studios Singapore. Both rides were issued operating permits by BCA after their design, maintenance and operating procedures were assessed to be in compliance with recognised safety codes and standards.

Right: BCA officer conducting safety inspections at Wild Wild Wet amusement park



## **Quality and Productivity**

BCA seeks to continuously improve industry standards and promote innovative solutions to meet the demands and challenges of the industry and the built environment.



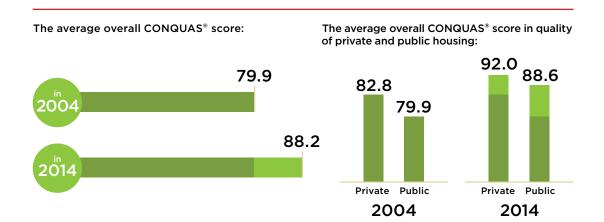
## Higher Workmanship Quality through CONQUAS®

CONQUAS®, which stands for "Construction Quality Assessment System" continues to define industry benchmarks and drive improvements in construction quality. Since its inception in 1989, more than 3,700 projects have been assessed under CONQUAS®.

CONQUAS® has led to better-quality buildings in Singapore. The average overall CONQUAS® score rose to a peak of 88.2 compared to 79.9 a decade ago. There was also a marked improvement

in the quality of private and public housing with average CONQUAS® scores hitting highs of 92.0 and 88.6 compared to 82.8 and 79.9 respectively for the same period.

BCA engages the industry actively via customised and complimentary training for all CONQUAS® projects. From 2007 to the present, more than 1,140 managers and supervisors have been trained and 172 certified under the CONQUAS®/QM Managers/ Supervisors scheme. They form a core group contributing to quality construction.



Right: CONQUAS® is a systematic way to measure and achieve quality



CONQUAS® continues to enjoy high demand from developers and builders. In FY2014, 95% of private residential and commercial projects in Singapore, as measured by contract value, were committed for CONQUAS® assessment, making it the de-facto quality yardstick for the industry.

Apart from being a systematic way to measure and achieve quality, CONQUAS® cuts down unnecessary rework by advocating the importance of doing things right the first time. This translates to higher quality work and improved productivity. Statistics compiled by BCA on complaints related to workmanship

quality from 2008 to 2013 showed a significant 64% of complaints received by BCA were from residential developments that did not subscribe to the CONQUAS® scheme.

CONQUAS® has also been very well received internationally as a benchmarking tool for quality. Often promoted by Singaporean developers, contractors and consultants venturing abroad, the branding is well-established and projects with good scores command a premium. Neighbouring countries such as Malaysia, Hong Kong SAR and South Korea have adopted quality assessment systems based on the CONQUAS® framework.





#### **Quality Masterplan**

Under the Quality Masterplan launched in May 2013, the Good Industry Practice Guidebook on Prefabricated Bathroom Unit (PBU) was published. This is the first edition covering Precast Concrete Volumetric system to guide on proper PBU installation and maintenance. There are plans to cover other types of PBU in subsequent editions of the Guidebook. In addition, four more similar Good Industry Practice Guides covering other materials and systems to achieve better workmanship quality with improved productivity are also being developed.

#### PBU Manufacturer Accreditation Scheme

To address upstream quality control, BCA and SCI (Singapore Concrete Institute) jointly developed

and launched the PBU Manufacturer Accreditation Scheme in August 2014. This scheme ensures that PBU manufacturers subscribe to high quality assurance and control practices during production. BCA also developed and established CONQUAS® standards for measurement of off-form (fair-faced) concrete in October 2014. This is expected to encourage greater adoption of prefabrication technology by the industry.

#### Quality Mark for Good Workmanship Scheme

First introduced in 2002, the BCA QM for Good Workmanship scheme is based on CONQUAS® standards. It measures the quality of workmanship in each newly completed residential unit and certifies the condition of the unit at the time of assessment. Each unit is subject to a rigorous





Left: SAGE, a private residential project constructed by Woh Hup, won the Construction Excellence Award in 2014 with the highest CONQUAS® score of 97.9



regimen of quality checks and must meet stringent finishing standards. All bathrooms are also tested for watertightness before it can be QM certified.

To date, close to 74,350 private residential units have been committed by the industry to QM evaluation.

BCA also launched a Quality Mark and Green Mark for Estate Agents course in December 2014 in collaboration with the Council of Estate Agencies (CEA). The programme is targeted at educating the real estate industry on the benefits of quality construction and sustainability for the built environment, so that estate agents can in turn help raise homeowners' awareness on these two schemes.

#### Recognising the Industry

The BCA Construction Excellence Award was first introduced in 1986 and is targeted at recognising builders who have demonstrated

performance excellence in their construction projects.

The BCA Quality Excellence Award was launched in May 2013 to recognise developers and builders for their commitment and achievement in delivering high quality homes. The Award aims to raise the profile of leading progressive developers and builders who have embraced workmanship excellence through quality assurance programmes and delivered high quality projects consistently. It also seeks to encourage more developers and builders to set high quality standards for their projects and improve the image of the industry.

Since its inception two years ago up till 2014, a total of seven Platinum, seven Gold Plus and nine Gold Awards have been conferred. In 2015, two Platinum, four Gold Plus and three Gold Awards were conferred.

Right: The ITE Headquarter and ITE College Central was given the Construction Excellence Award in 2014





Left: Singapore Sports Hub receives Platinum award for inaugural Building Information Modelling Awards

Bottom: Minister of State Dr Maliki assembling flexible pipes with students at the Productivity Race

#### **Construction Productivity Roadmap**

In March 2015, the Singapore government announced the rollout of the second Construction Productivity Roadmap. It was formulated through extensive industry consultation and overseas best practices.

The roadmap places emphasis on the concept of "Design for Manufacturing and Assembly" (DfMA) to transform construction into a manufacturing process with more offsite prefabrication. DfMA enables greater automation in factories and yields significant manpower and time savings. DfMA's other intangible benefits include less noise and dust during construction, resulting in safer workplaces and better quality homes.

# Singapore Construction Productivity Week (SCPW) 2014

Themed "Build Smart for a Future Ready Singapore", SCPW 2014 was held from 13 to 16 October 2014 as part of the inaugural National Productivity Month (NPM).

Leading up to the event, the third International Panel of Experts (IPE) meeting on Construction Productivity and Prefabrication Technology was held. It focused on the concept of Design for Manufacturing and Assembly (DfMA) and game-changing technologies. The panel comprised seven overseas members from Australia, Hong Kong, Italy, Japan, United Kingdom and United States and eight prominent local professionals.



Right: The building extension to Crowne Plaza Changi Airport Hotel is using the PPVC for its construction

Bottom: Minister Khaw Boon Wan visited Yishun Community Hospital construction site to observe the various new productivity-enhancing solutions



Photo Courtesy of OUE Limited

#### Productivity Innovation Projects (PIP)

In FY2014, BCA supported a number of high-profile projects which adopted game-changing technologies under the PIP scheme. Two of these, the OUE Crowne Plaza Hotel Extension and City Development Limited's Executive Condominium project at Canberra Drive; utilised Prefabricated Pre-finished Volumetric Construction (PPVC). PIP also provided significant funding support for the development of highly mechanised and automated production lines at the Integrated Construction and Prefabrication Hub (ICPH).

#### Government Procuring Entities (GPEs) Productivity Roadmaps

Since September 2013, BCA has worked with nine key GPEs with strong project pipelines to develop and implement their own construction productivity roadmaps outlining productive technologies and management practices that could be adopted in their respective projects.

# Raising of Buildable Design and Constructability Standards

To further encourage easy-to-build designs and productive construction methods, the minimum Buildable Design Score (B-Score) and Constructability Score (C-Score) were further raised by BCA with effect from 1 November 2014. This move raises the bar for private projects to be on par with public sector projects and projects on Government Land Sales (GLS) sites in meeting the minimum standards.

Requirements were also raised through mandating the adoption of certain standard components and productive technologies.





Left: The new residence hall at the Nanyang Technological University (NTU) is the first public high-rise development in Singapore to deploy a Pre-fabricated Prefinished Volumetric Modular Construction (PPVC) technology

#### Specific Productive Technologies as Government Land Sales (GLS) Conditions

Developers play a key role in driving productivity improvement. As such, downstream construction will benefit if building designs include highimpact productive technologies. With effect from 1 November 2014, specific technologies were stipulated as land sales conditions for selected developments sold under the GLS Programme. They include Prefabricated Bathroom Units (PBUs), Prefabricated Systems and Prefabricated Pre-finished Volumetric Construction (PPVC).

#### Revised Balcony Bonus Gross Floor Area (GFA) Scheme

The revised Balcony Bonus GFA scheme was introduced to allow developers of private residential non-landed projects to enjoy bonus GFA granted for balconies by committing to a set of productivity pre-requisites. With effect from 9 December 2014, the scheme was revised with a set of new pre-requisites which include attaining a B-Score of at least 90 points for developments with GFA equal to or more than 25,000m2; and adopting at least 80% PBUs.

#### **Productivity-Related Programmes**

To meet the call for a more productive built environment and enhanced knowledge and competency, BCA Academy rolled out 24 new productivity-related programmes and workshops in FY2014. One of these was the Leadership & Advanced Management Programme on Virtual Design & Construction (VDC) in partnership with Stanford University's Center for Integrated Facility Engineering (CIFE).

#### Land sales conditions for selected developments sold under the GLS Programme



**Prefabricated Bathroom Units** (PBUs)

For all residential (non-landed) and residential non-landed component of mixed-use developments on GLS sites, the minimum number of PBUs to be adopted shall be 65% of the total number of bathroom units.



Prefabricated Systems for

All industrial developments on Industrial GLS sites with Gross Floor Area (GFA) of 5,000m2 or more are required to incorporate a minimum level of use of prefabrication for both the structural and wall systems.



Jurong West



#### Prefabricated Pre-finished Volumetric Construction (PPVC)

Two land parcels at Jurong West Street 41 and Yishun Avenue 4 have been identified to adopt PPVC. The minimum level of use of PPVC shall be 65% of the total superstructural floor of the building or the component of the building that is to be used for residential or private dwelling purposes.

#### **Construction Productivity and Capability Fund**

No. of firms which have benefitted

Amount

Committed \$267m

Right: As of FY2014, there were 569 Specialist Diploma graduates and 401 general Diploma graduates

Bottom: One of the programmes rolled out by BCA Academy was the Leadership & Advanced Management Programme on Virtual Design & Construction (VDC) in partnership with Stanford University's Center for Integrated Facility Engineering (CIFE)



Partnering with Kyoto University in Japan, BCA also conducted a five-day Executive Development Programme (EDP) on Enhancing Construction Productivity and Management. Delivered by industry professionals and experts from the University and Japan's Ministry of Land, Infrastructure, Transport and Tourism, our professionals learned about productive and sustainable technologies and processes used in Japan. They then identify suitable processes that could potentially be adopted in Singapore. A number of workshops in PBU, Cross Laminated Timber (CLT) and PPVC were also conducted to expose industry players to these new technologies.

In FY2014, two new programmes in Construction Productivity were introduced. These were the

Specialist Diploma and Advanced Certificate courses, in which topics on DfMA, cutting-edge technologies and VDC were incorporated. A Specialist Diploma in Architectural Technology and Bachelor of Construction Management were also added into BCA's academic programmes listing. As at FY2014, there were 569 Specialist Diploma graduates and 401 general Diploma graduates.

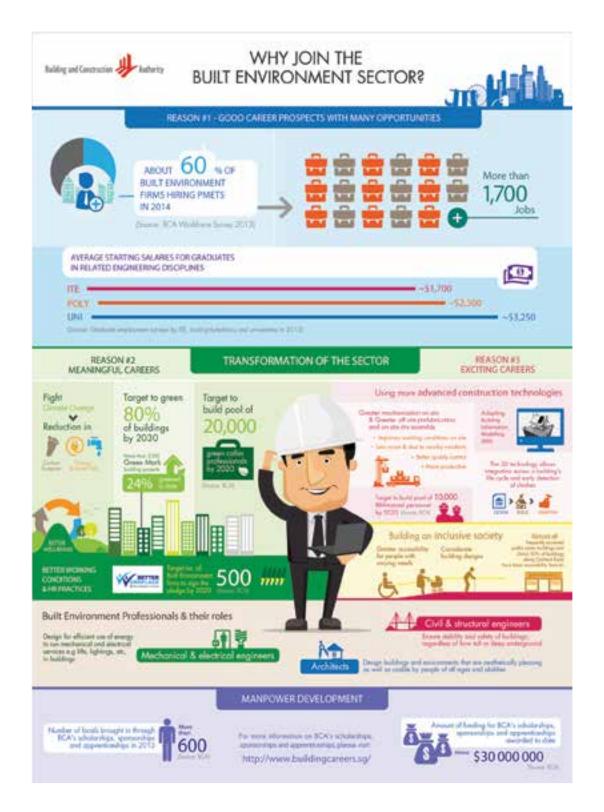
In an effort to upgrade the construction workforce, BCA launched three new CET courses for CoreTrade for supervisors. More than 31,000 participants attended BCA's CET programmes in FY2014 and over 3,000 students enrolled in BCA Diploma and Degree programmes.



# Career Development Programmes and Rebranding Roadmap

To attract more talent to join the built environment sector, BCA has put in place a comprehensive suite of scholarship and sponsorship programmes at

the degree, diploma, ITE and junior supervisory levels. In FY2014, the various scholarship, sponsorship and apprenticeship programmes attracted more than 560 students and jobseekers to take up built environment courses and careers.



Right: Guest-of-Honour Ms Indranee Rajah presented scholarships at the BCA-Industry Built Environment Scholarship Awards Ceremony 2014

Bottom: The Green and Gracious Builder Scheme (GGBS) and the Pledge for a Better Built Environment Workplace were launched in April and May 2014



To complement the comprehensive suite of scholarship and sponsorship programmes, a five-year Rebranding Roadmap was launched in 2014. The Roadmap aims to enhance awareness and attraction to the built environment sector and careers. It also seeks to engage and retain talents in the sector through transforming and improving work conditions and human resource practices, and offer opportunities to those seeking meaningful careers.

#### Adopting Good HR Practices

As part of the Roadmap, the Green and Gracious Builder Scheme (GGBS) and the Pledge for a Better Built Environment Workplace were launched in April and May 2014 respectively.

The GGBS seeks to promote and recognise builders for their voluntary adoption of green and gracious site practices, while the Pledge aims to encourage all stakeholders on the value chain – including developers, consultants and builders – to demonstrate their commitment towards adopting good HR practices. To date, more than 30 built environment firms have signed the Pledge.

#### Teachers' Attachment Programme

The Teachers' Attachment Programme was introduced in December 2014. Targeted at lecturers from Institutes of Higher Learning (IHLs), the programme aims to enhance lecturers' awareness of the built environment sector,







Left: More than 50 students participated in the inaugural Building Information Modelling (BIM)

Bottom: Keynote speaker at BIM Symposium held during SCPW 2014

enabling them to be career promotion ambassadors for the sector. The programme was deemed to be very effective by 93% of the participants.

To further support the suite of initiatives under the Roadmap, the Rebranding Implementation Workgroup (RIWG) was formed in April 2014. The RIWG consists of the BCA, the Construction Industry Joint Committee (CIJC), the Ministry

of Development (MND), and the IHLs. The RIWG meets on a half-yearly basis to take stock of achievements, monitor the progress of the initiatives and develop detailed implementation plans for the next six months.

#### Building Information Model (BIM) Adoption

BCA unveiled the second BIM Roadmap at the international Government BIM Symposium in



Bottom: 3D BIM Modelling of Executive Condominum Housing Development by China Jingye Engineering Corporation Limited

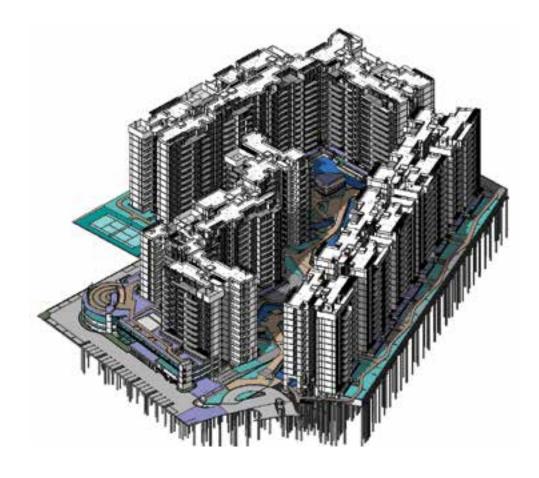
October 2014. Focused on driving BIM collaboration throughout the value chain, the 2014 BIM Roadmap also aims to build BIM capabilities of specialist contractors and develop new virtual design and construction training programmes for all levels. A total of 110 delegates from 13 countries attended the BIM Symposium.

BCA also launched the inaugural BCA BIM Awards in FY2014. The awards form part of BCA's continual efforts to recognise outstanding project teams that have implemented BIM in their projects from design to construction stage. In all, 11 awards were given out at the opening ceremony of the SCPW 2014. The Platinum Award, which is the highest rating, went to the Singapore Sports Hub project, which featured extensive use of BIM for visualisation, 3D-coordination, analysis, construction, quantity take-off and fabrication.

The project was also recognised for its adoption of the Big Room Concept where key stakeholders were co-located in the same premises to prevent information breakdown, traditional communication barriers and silos between project partners.

Riding on the momentum of BIM adoption by the design consultants and contractors in Singapore, BCA organised an inaugural BIM Quantity Surveyors Seminar in FY2014. The seminar created greater awareness among Quantity Surveyors and encouraged them to embrace BIM to achieve more productive quantity take-off process with higher cost certainty.

To further maximise its usage in the industry, BIM was mandated for Engineering Submissions for projects sized more than 20,000 m<sup>2</sup> from July 2014. A total of 181 projects have been





Left: Skilled Builders' Competition 2014

submitted from July 2013 to June 2015. This comprises of 53 projects submitted from July 2013 to December 2013, 97 projects in 2014, and 31 projects from January 2015 to June 2015. More than 18 GPEs have specified BIM in their project requirements since June 2012.

#### **BIM Shoot-Out**

The inaugural BIM Shoot-Out is a new competition open to students from local institutions of higher learning to test their proficiency in using 3D modelling technology to create 3D models and documentation within a space of two hours. A total of 147 students from six institutions of higher learning participated in this competition in FY2014.

#### Market-Based Skills Recognition Framework

In August 2014, BCA implemented a new Market-Based Skills Recognition Framework (MBF) in the construction sector to allow basic skilled R2 workers to upgrade to higher skilled R1 status if they possess at least six years of local construction experience and earn a minimum S\$1,600 fixed monthly salary. This new pathway will complement existing upgrading pathways, CoreTrade and Multi-skilling schemes, in encouraging retention and upgrading of experienced workers. In FY2014, BCA also extended the Continual Education and Training (CET) requirements to the Multi-skilling scheme.



Right: Providing training and upgrading for a highly skilled workforce

Far right: Workers undergoing training on Plastic Formwork at Fonda Lanka Overseas Testing Centre





To facilitate upgrading and retention of experienced workers, BCA is collaborating with the Ministry of Manpower (MOM) to implement workforce upgrading requirements in 2015 and 2016. As part of these requirements, all construction firms will face a compulsory stipulated minimum proportion of R1 workers among their work permit holders from 2017.

#### **Innovation and Productivity Incentives**

The Construction Productivity and Capability Fund (CPCF) was introduced by BCA in June 2010 to help the construction industry improve productivity and strengthen capabilities. As at March 2015, about \$267 million of the CPCF has been committed, benefitting more than 6,081 individual firms in

the areas of workforce development, technology adoption, and capability development.

#### Construction Workforce Training and Certification

To ensure the construction workforce is adequately equipped to meet Singapore's ongoing built environment needs, BCA oversees a total of 34 overseas testing centres (OTCs) spread across Bangladesh, China, India, Myanmar, Thailand and Sri Lanka. The OTCs offer training and skill certification in 31 construction trades and facilitate the bringing in of new foreign construction workers with adequate skill sets and skills level in common construction trades. In FY2014, BCA also appointed 27 Approved Training and Testing Centres (ATTCs) in Singapore to provide training and skill certification of workers to meet the industry's needs to upgrade its workforce.

#### **Workers Training and Testing**



The total number of overseas testing centres spread across Bangladesh, China, India, Myanmar, Thailand, Philippines and Sri Lanka.





Approved Training and Testing Centres in Singapore provides training and skill certification of workers to meet industry's needs.



#### **Construction Market Watch**

Construction demand and construction output reached new record highs of \$\$39 billion and \$\$36 billion respectively in 2014, with the latter projected to be sustained at a steady level in the next few years. In view of the growth, BCA increased our construction demand and output forecast bandwidth from a three-year to five-year rolling basis in January 2015 to provide greater visibility of sustained demand and facilitate the decision-making and resource-planning process of industry players.

The review of BCA's Building Works Tender Price Index (TPI) was also completed in 2014. Following the review, the TPI data series will be rebased from 2005 to 2010 with effect from the first quarter of 2015.

#### Quality-Fee Selection Method (QFM)

BCA introduced an updated version of the QFM framework with effect from 1 September 2014. Named QFMv2, the framework accords a higher weightage of 20% for productivity attributes. It is expected to benefit progressive design firms that have achieved higher buildable design scores in their past projects and invested in technology and workforce development to improve productivity.

The pilot version PQMv2 also had its total productivity component raised higher to 10%. It will reward progressive construction firms that have achieved higher constructability scores in their past projects and invested in technology and workforce development.



The 7th edition of the Public Sector Standard Conditions of Contract (PSSCOC) was also updated in July 2014. It now includes "severe haze condition" as a relevant event for contractors to claim for extension.

# Review of the Building Maintenance and Strata Management Act (BMSMA)

In 2014, BCA conducted two rounds of public consultations to solicit feedback from stakeholders as part of an ongoing review of the BMSMA. BCA is finalising the amendments to the

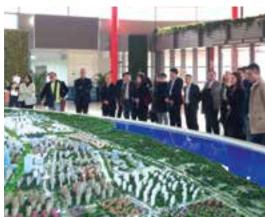
BMSMA and will carry out a final consultation session when the draft bill is completed.

During the year, BCA also participated actively in dialogue sessions with Management Corporations and conducted briefings to agencies and overseas delegates on the BMSMA framework. In addition, a Strata Management Seminar was conducted to educate council members of newly formed Management Corporations on their roles and responsibilities in strata management.

Right: Strata Management Seminar to educate council members of newly formed Management Corporations on their roles and responsibilities in strata management







#### Foreign Worker Dormitories

BCA currently oversees a total of 28 purposebuilt dormitories for foreign construction workers. These purpose-built dormitories provide a conducive living environment equipped with adequate social/community, recreational and commercial facilities to meet the daily needs of foreign construction workers.

#### **Infrastructure Development Projects**

BCA manages infrastructure development projects to support the needs of the builtenvironment industry.

In FY2014, BCA completed the development of the Tuas Concrete Site (TCS) to house the ready-mix batching plants. Together with the Tuas Aggregate Terminal, TCS will be developed into a RMC hub to complement the RMCs at Pulau Punggol Timor. This will ensure construction activities in the western and north-western part of Singapore are adequately served.

#### Overseas Ventures

In FY2014, BCA led 15 mission trips overseas to locations throughout China, India and Southeast Asia for 54 participating firms.

Top left: Facilities at a foreign worker dormitory

Top right: Tianjin Eco-city Administrative Committee (ECAC) officials introduced the SSTEC master plan to Singapore delegates

Bottom: Business meeting with Sino-Singapore Tianjin Eco-City Investment and Development Co., Ltd





mission trips led by BCA throughout China, India and Southeast Asia for 54 participating firms in FY2014.



projects were successfully clinched through BCA's direct facilitation efforts in FY2014. These worth \$\$2.2 million.

These trips allow local Singapore firms to explore identified project leads and expand their network of potential business partners through the opportunity to showcase their niche expertise directly to prospective project partners. A total of seven Memoranda of Understanding (MOU) were signed, enabling firms to tap on established channels to gain access into the target markets.

BCA also organised two business seminars attended by over 300 senior executives to equip Singaporean firms with knowledge of overseas business environments. It enables local firms to gain a better understanding of their positioning before embarking on overseas ventures.

A total of 12 projects were successfully clinched through BCA's direct facilitation efforts in FY2014. These amounted to an aggregate worth of S\$2.2 million.

Right: Meeting with the Ministry of Urban Affairs in New Delhi to explore opportunities for Singapore companies in India's vision to build 100 smart cities









Left: Guest-of-Honour Minister Grace Fu (second from left), and CEO of BCA Dr John Keung (left) at the Green Building Exhibition 2014

Bottom left and bottom right: The 'Tour of Green Mark Office' is a pilot outreach programme which aims to engage decisionmakers involved in their offices' green journey

#### **Green Building Exhibitions**

Since its inaugural launch in 2012, the Green Building Exhibition has been promoting greater public awareness on green features in homes and offices, and the benefits of green buildings. About 38,000 members of the public visited the Green Building Exhibitions in 2014.

#### Tour of Green Mark Offices

The "Tour of Green Mark Offices" is a pilot outreach programme to create greater awareness of the benefits of working in Green Mark certified

offices. Launched to capture the growing appeal of green offices worldwide, the programme aims to engage decision-makers involved in their offices' green journey.

Offices, which have already obtained the Green Mark certification participated as host offices and took the lead in sharing their office's green features, highlighting cost savings and benefits with programme participants. To date, six tours have been completed and close to 100 senior and midmanagement executives as well as Corporate Social









Responsibility (CSR) personnel have participated in the programme.

BCA also produced a "BCA Green Mark for Office Interiors for Dummies Guide" with John Wiley & Sons, publisher of the Dummies Series. The Guide provides an overview of the BCA Green Mark for Office Interiors scheme, tips on how businesses can green their offices, and also includes case studies of offices featured in the programme.

#### **BiG Club**

The BiG Club was started in September 2011 to promote greater awareness and understanding

of green buildings among tertiary level students in Singapore. The Club organises activities such as sharing by BCA and industry ambassadors and experiential learning journeys to green buildings. As of April 2015, the club has 1,286 members.

In their first year of office, the Executive Council, helmed by student leaders, organised three activities for the BiG Club community.

#### **Big Club Junior**

Following the success of the BiG Club, BCA launched BiG Club Junior in February 2014 for

Right: Members of BiG Club Executive Council







Secondary School students. In March 2015, more than 70 secondary school students attended a two-day green tour around City Square Mall, Singapore's first eco-mall.

#### **Built Environment Exhibit at KidsSTOP**

The Built Environment exhibit at KidsSTOP in the Singapore Science Centre is sponsored by BCA. Tailored for children between 18 months to 8 years old, the interactive exhibit gives children the opportunity to explore a bustling construction site environment. With an average monthly visitorship of 20,000, KidsSTOP provides an engaging and

fun environment for BCA to nurture an interest in the built environment among the youngest of Singapore's population.

#### Universal Design Public Outreach

BCA launched the InclUDed Movement in 2013 as part of its continuous efforts to champion a friendly built environment in Singapore.

Outreach events included a series of four roving exhibitions called "YooDee Town", organised to raise the awareness of UD among the general





public. Attracting over 40,000 visitors, "YooDee Town" showed visitors how UD could make common spaces, such as parks and shopping malls, accessible to all ages and abilities through simple UD features such as friendly door handles and switches.

A variety of school engagement activities were also organised to educate Singapore's younger generation on the importance of UD. These include the "My UD World" Inter-Primary Art

Competition. The competition is open to all Primary 1 to 3 students in Singapore.

Approximately 4,000 entries from more than 20 primary schools were received. A multiagency collaboration with the Singapore Art Society, Ministry of Education and National Arts Council was established to judge the competition submissions. The winning entries were showcased at the launch of the UD Exhibition at Changi City Point in July 2014.







#### **UD Short Film Competition**

The BCA Universal Design Short Film Competition aims to educate youths on the importance of UD in the built environment. Launched in July 2014, the competition invited students aged 16 to 25 years old to produce short films on UD, based on the theme "Singapore - A Home For Everyone". Over 200 students participated in the inaugural competition with five winners emerging from Nanyang Technological University, LaSalle College of the Arts and Nanyang Academy of Fine Arts.

#### Find Your Friendly Buildings

BCA also enhanced its UD microsite in 2014 to include more information and new elements such as games and animation videos to generate greater viewership and better engage site visitors. The microsite is scheduled to undergo another revamp in 2015 to enhance interactivity and visitor experience. To facilitate easy access to information on UD, BCA also launched a new "Find Your Friendly Buildings" smartphone application. The app provides up-todate information on the accessible facilities that are available in approximately 2,800 local buildings across Singapore.





Top left and bottom right: BCA officer demonstrating how to conduct basic safety window checks to the public during one of the window safety roving exhibitions





#### Window Safety

BCA has been stepping up efforts to create greater public awareness of the importance of window safety. BCA organised 18 window safety roving exhibitions in various neighbourhoods. Two briefings on window maintenance tips to educate foreign domestic helpers on window safety were also conducted in 2014.

#### Slope Safety Outreach Programme

BCA issues advisories to private homeowners to remind them to carry out regular inspection and preventive maintenance of their slopes

and retaining walls. Since FY2007, a total of 18,367 advisories have been issued. BCA also held weekend dialogue sessions to engage the residents and emphasise the importance of their role in maintaining safety of their slopes.

#### Municipal Services Partnership

BCA joined the Municipal Services Office (MSO) as a partner agency with effect from 1 April 2015. The partnership will enable BCA to work closely with MSO and 10 other partner agencies to improve delivery of municipal services.





# **Organisational Excellence**

Shaping a future-ready built environment begins with our own operations. In addition to meeting the training and professional development needs of our staff, BCA seeks to provide a conducive and highly supportive working environment that equips our people with the necessary tools and processes to excel personally and professionally.

#### People Development

In line with our Learning and Development philosophy of "Taking Charge of Your Own Development", BCA strives to ensure all necessary resources are made available to enable employees to maximise their development to the fullest potential. On average, each employee aims to achieve a minimum of eight to nine days of training in a year. BCA also launched an e-Learning Management System in early 2015 to automate the existing training workflow. This facilitates greater ownership in personal learning and professional development, and enables better tracking and reporting of key performance indicators.

#### **Enhanced Employee Benefits and Welfare**

To ensure that well-being initiatives meet employees' changing needs and expectations, BCA reviewed and enhanced numerous policies and procedures during the year. The updated policies include staggered working hours, health screening benefits and leave applications. Corporate passes to the Zoo, Sentosa and KidsSTOP were also introduced to encourage staff to spend more time with their loved ones.

#### **BCA Scholarship Pipeline**

The BCA Undergraduate Scholarship programme witnessed a significant increase in the number of applicants in FY2014 with over 500 applications.

BCA also implemented new initiatives such as the Scholarship Referral Scheme, proactive facilitation of internship for potential scholarship candidates as well as tea sessions to engage in conversations with shortlisted candidates on careers and roles within BCA. In 2015, a total of two overseas and seven local scholarships were awarded.



Right: BCA received the SHRI award in Leading HR practices in Employee Relations and People Management

Bottom: Relocation to Jem Office Tower



#### **Human Resource Awards**

BCA was conferred the Work Life Achiever Award in FY2014 for promoting greater flexibility work arrangements and work-life harmony. The organisation also received the Singapore HR Award for leading human resource practices in "Employee Relations and People Management". These awards are testimonies to BCA's total approach to managing people and achieving high performance through excellent people practices.

#### **Customer Service Excellence**

BCA also looked into service improvement opportunities within BCA, such as enhancement of e-services to allow self-service capabilities for customers. In FY2014, a Customer Self-Service Portal was launched by the BCA Academy to enable users to check on the status of their course applications at their convenience anytime, anywhere. A new online registration system is also in progress of development.

#### **Electronic Builders Licensing and Contractors** Registration System (eBACS)

BCA launched eBACS in October 2014, which allows the industry to apply under the Builders Licensing Scheme or Contractors Registry to tender for public sector projects.

The waiting time for over-the-counter inquiries has been reduced significantly from an average of 15 minutes to three minutes. E-kiosks are now available at the BCA Service Centre to facilitate online support from BCA officers for applicants requiring assistance on the online submission process.

#### Relocation to Jem Office Tower

BCA officially relocated to our new premises at Jem Office Tower on 22 December 2014. The new office includes a Customer Service Centre at Level 6 shared with AVA, and is equipped with an integrated customer queue system, e-kiosks and consultation rooms.





#### **Public Service Premier Award 2014**

In May 2014, BCA was conferred the Public Service Premier Award for achieving the Singapore Quality Award, People Developer, Innovation Class, Service Class and ISO 9001. The most prestigious of all public service awards, the Public Service Premier Award is given to outstanding government agencies in recognition of continuous endeavours to achieve and maintain supreme levels of Organisational Excellence (OE).

#### Singapore Sustainability Award 2014

BCA was conferred the Singapore Sustainability Award in 2014 for showcasing the most innovative and impactful sustainable practices and green solutions among organisations in Singapore. The Award is a strong testament to BCA's success in shaping and 'future-proofing' a safe, high quality, sustainable and friendly built environment for Singapore.

# Contractors Registration System (CRS), Finalist in CAPAM International Innovations Award

The CRS is a centralised registration system for contractors wishing to tender for public sector construction projects in Singapore. It creates a uniform set of registration criteria, engendering greater efficiency in public procurement. CRS emerged as one of the top three finalists among more than 100 submissions in the Commonwealth Association for Public Administration and Management (CAPAM) Innovation Awards in the category – Innovations in Public Sector Management. CRS first won the United Nations Public Service Award in 2012.

Clockwise from bottom left: Dr John Keung, CEO of BCA (left), received the Public Service Premier Award from DPM Teo Chee Hean

BCA Deputy CEO Mr Lam Siew Wah (centre) receiving the Singapore Sustainability Awards from Mr Lee Yi Shyan, Senior Minister of State, MTI and MND

BCA was conferred the Work Life Achiever Award in FY2014 for promoting greater flexibility work arrangements and worklife harmony







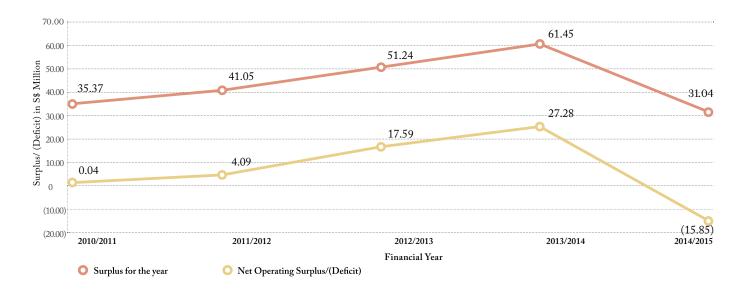
# BUILDING AND CONSTRUCTION AUTHORITY AND ITS SUBSIDIARIES

FINANCIAL REPORT 2014/2015

## Five-Year Financial Summary

	The Group				
FINANCIAL RESULTS	2010/2011 S\$'000	2011/2012 S\$'000	2012/2013 S\$'000	2013/2014 S\$'000	2014/2015 S\$'000
Operating income	122,495	152,946	195,229	236,681	243,259
Operating expenditure	122,458	148,855	177,636	209,401	259,107
Net operating surplus / (deficit)	37	4,091	17,593	27,280	(15,848)
Non-operating income	1,349	1,766	1,801	1,836	2,028
Surplus / (deficit) before government grants	1,386	5,857	19,394	29,116	(13,820)
Government grants	41,206	43,568	42,251	44,988	51,002
Surplus before contribution to consolidated fund	42,592	49,425	61,645	74,104	37,182
Donations	(3)	(3)	(6)	-	(8)
Contribution to consolidated fund	(7,192)	(8,315)	(10,339)	(12,602)	(6,053)
Income tax expense	(24)	(57)	(64)	(57)	(82)
Surplus for the year	35,373	41,050	51,236	61,445	31,039
Other Comprehensive Income	_	-	-	797	-
Total Comprehensive Income	35,373	41,050	51,236	62,242	31,039

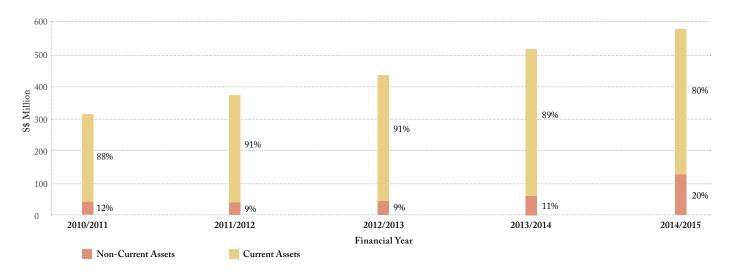
### Operating Surplus & Surplus for year



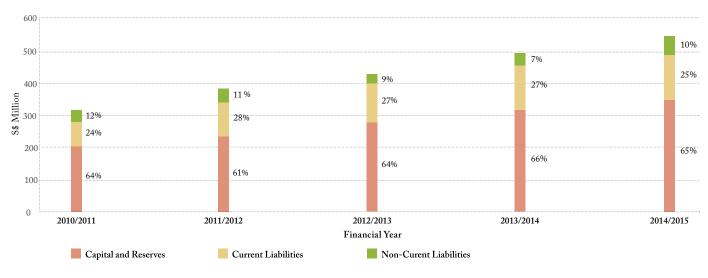
## Five-Year Financial Summary

	The Group					
FINANCIAL POSITION	2010/2011 S\$'000	2011/2012 S\$'000	2012/2013 S\$'000	2013/2014 S\$'000	2014/2015 S\$'000	
Non-Current Assets	35,603	34,910	40,859	55,228	116,943	
Current Assets	271,362	340,235	396,690	459,429	456,218	
	306,965	375,145	437,549	514,657	573,161	
Capital and Reserves	196,711	229,824	278,792	341,033	372,072	
Current Liabilities	73,873	103,480	120,083	136,819	142,263	
Non-Current Liabilities	36,381	41,841	38,674	36,805	58,826	
	306,965	375,145	437,549	514,657	573,161	

#### **Total Assets**



### Capital, Reserves, Funds and Liabilities



## Five-Year Value Added Statement

	2010/2011 S\$'000	2011/2012 S\$'000	The Group 2012/2013 S\$'000	2013/2014 S\$'000	2014/2015 S\$'000
Value Added From:					
Revenue earned	122,495	152,946	195,229	236,681	243,259
Less bought in materials and services	52,667	77,912	94,524	114,691	152,072
Value Added From Operations	69,828	75,034	100,705	121,990	91,187
Government grants	41,206	43,568	42,251	44,988	51,002
Interest income	1,407	1,725	1,815	2,103	4,057
Gain/(Loss) on disposal of property, plant and equipment	(58)	41	(13)	(267)	(2,029)
Total Value Added Available For Distribution	112,383	120,368	144,758	168,814	144,217
Distribution:					
To employees					
Salaries and other staff costs	64,148	64,920	76,991	88,474	97,490
To Government					
Contribution to consolidated fund	7,192	8,315	10,339	12,602	6,053
Income tax expense	24	57	64	57	82
Retained for reinvestment and future growth					
Depreciation	5,646	6,026	6,128	6,236	9,553
Surplus	35,373	41,050	51,236	61,445	31,039
Total Value Added	112,383	120,368	144,758	168,814	144,217

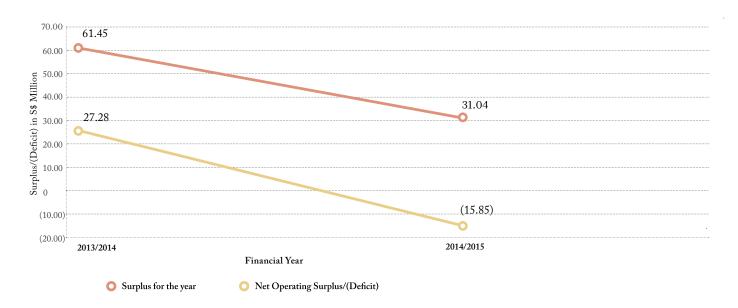
#### **Financial Review**

#### **Financial Results**

Operating income for 2014/2015 was \$6.6M higher than previous year. With higher operating expenses, BCA's net operating deficit for the financial year ended 31 March 2015 was \$15.8M, as compared to \$27.3M surplus in the previous year.

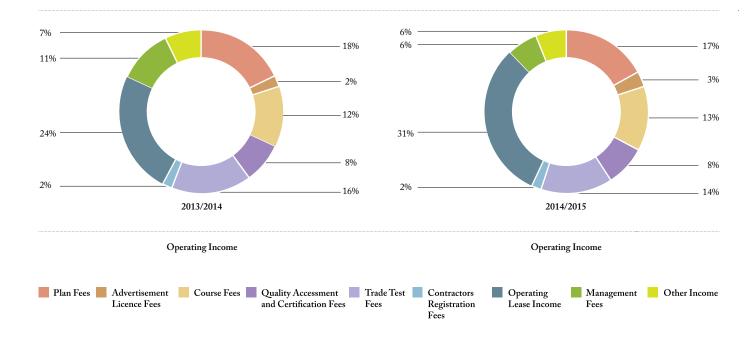
During the year, BCA also received government grants of \$51.0M. This brought the surplus for the year to \$37.2M, which was \$36.9M lower than the previous year. BCA contributed \$6.1M to the consolidated fund for 2014/2015's surplus.

#### **Financial Results**



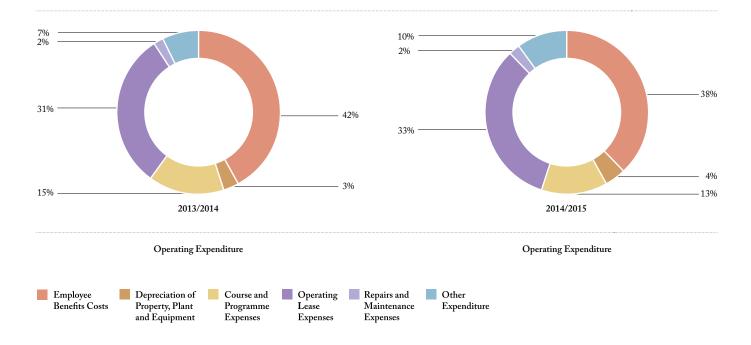
## **Operating Income**

Operating income comprised mainly plan fees, course fees, quality assessment and certification fees, trade test fees, operating lease income and management fees. Operating income increased by \$6.6M from 2013/2014 to 2014/2015 mainly due to an increase in operating lease income.



## **Operating Expenditure**

Operating expenditure, which comprised mainly employee benefit costs, operating lease expenses and course and programme expenses, had increased by \$49.7M from 2013/2014 to 2014/2015. The increase was due to higher operating lease income from the launch of new sites for Foreign Workers' Dormitories and higher rental for some sites. Employee benefit costs had also increased.



# BUILDING AND CONSTRUCTION AUTHORITY AND ITS SUBSIDIARIES

ANNUAL FINANCIAL STATEMENTS 31 MARCH 2015

#### **Building and Construction Authority and its subsidiaries**

#### **Board Information**

#### **Address**

52 Jurong Gateway Road, #11-01, Singapore 608550

#### **Auditor**

Ernst & Young LLP

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#### **Building and Construction Authority and its subsidiaries**

#### Statement by the Board of the Building and Construction Authority

#### In our opinion:

- (a) the accompanying Statements of Comprehensive Income, Balance Sheets, Statements of Changes in Reserves and the Consolidated Cash Flow Statement of the Building and Construction Authority (the "Authority") and its subsidiaries (collectively, the "Group"), together with the notes thereon, are drawn up so as to present fairly, in all material respects, the state of affairs of the Authority and of the Group as at 31 March 2015 and of the results and changes in reserves of the Authority and the Group and cash flows of the Group for the financial year then ended, in accordance with the provisions of the Building and Construction Authority Act, Chapter 30A (the "Act") and Singapore Statutory Board Financial Reporting Standards;
- (b) at the date of this statement, there are reasonable grounds to believe that the Authority will be able to pay its debts as and when they fall due;
- (c) the accounting and other records required by the Act to be kept by the Authority have been properly kept in accordance with the provisions of the Act; and
- (d) the receipt, expenditure, investment of moneys and the acquisition and disposal of assets by the Authority during the financial year have been in accordance with the provisions of the Act.

The Board of the Building and Construction Authority has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Building and Construction Authority:

Quek See Tiat Chairman

Dr John Keung Chief Executive Officer

24 August 2015

**Independent Auditor's Report** For the financial year ended 31 March 2015

### Independent Auditor's Report to the Board of Building and Construction Authority

We have audited the accompanying financial statements of the Building and Construction Authority (the "Authority") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Authority as at 31 March 2015, the statements of comprehensive income (including the income and expenditure accounts) and statements of changes in reserves of the Group and of the Authority, and consolidated cash flows statement of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Building and Construction Authority Act, Chapter 30A (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS") and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the consolidated financial statements of the Group and the balance sheet, statement of comprehensive income and statement of changes in reserves of the Authority are properly drawn up in accordance with the provisions of the Act and the Statutory Board Financial Reporting Standards so as to present fairly, in all material respects, the financial position of the Group and the Authority as at 31 March 2015 and the financial performance and changes in reserves of the Group and the Authority and the cash flows of the Group for the financial year ended on that date.

**Independent Auditor's Report** For the financial year ended 31 March 2015

Independent Auditor's Report to the Board of Building and Construction Authority

### Report on Other Legal and Regulatory Requirements

### Management's Responsibility for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investments of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act. This responsibility includes implementing accounting and internal controls as management determines are necessary to enable compliance with the provisions of the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We conducted our audit in accordance with Singapore Standards on Auditing. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Because of the inherent limitations in any accounting and internal control system, noncompliances may nevertheless occur and not be detected.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

### **Opinion**

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Authority during the financial year are, in all material respects, in accordance with the provisions of the Act; and
- (b) proper accounting and other records have been kept, including records of all assets of the Authority whether purchased, donated or otherwise.

Ernst & Young LLP

Public Accountants and **Chartered Accountants** Singapore

Ernet & Young Lif

24 August 2015

Statements of Comprehensive Income (including the income and expenditure accounts) For the financial year ended 31 March 2015

		Gro	oup	Auth	nority
	Note	2014/2015	2013/2014	2014/2015	2013/2014
		S\$	S\$	S\$	S\$
Operating income					
Plan fees		42,477,296	43,774,930	42,477,296	43,774,930
Advertisement licence fees		6,536,696	6,251,382	6,536,696	6,251,382
Course fees Quality assessment and		31,318,038	28,678,449	31,159,038	28,503,949
certification fees		18,296,839	18,319,170	16,728,839	16,646,670
Trade test fees		33,573,529	37,995,106	33,573,529	37,995,106
Contractors registration fees		4,088,300	3,979,298	4,088,300	3,979,298
Operating lease income		75,266,513	56,328,429	75,266,513	56,328,429
Management fees		15,864,576	25,402,907	15,864,576	25,402,907
Other income		15,837,215	15,950,845	15,533,985	15,766,453
Total operating income		243,259,002	236,680,516	241,228,772	234,649,124
Less: Operating expenditure					
Employee benefit costs		97,489,679	88,473,745	96,705,635	87,406,571
Depreciation of property, plant and equipment	6	9,553,322	6,236,054	9,553,322	6,236,054
Course and programme expenses		34,459,058	30,915,581	34,390,592	30,838,126
Operating lease expenses	22	84,814,730	64,621,118	84,814,730	64,621,118
Repairs and maintenance		,,	.,,	,,	- 1, 1, 1 1 2
expenses		6,143,715	5,166,701	6,143,715	5,166,701
Other expenditure		26,646,906	13,987,228	26,232,732	13,856,884
Total operating expenditure		259,107,410	209,400,427	257,840,726	208,125,454
Net operating (deficit)/surplus		(15,848,408)	27,280,089	(16,611,954)	26,523,670
Non-operating income/(expenditure)					
Interest income		4,056,858	2,103,034	4,040,716	2,088,446
Gain on disposal of property, plant and equipment		98,399	83	98,399	83
Property, plant and equipment written-off/expensed		(2,127,480)	(267,379)	(2,127,480)	(267,379)
		2,027,777	1,835,738	2,011,635	1,821,150
(Deficit)/surplus before					
government grants brought forward		(13,820,631)	29,115,827	(14,600,319)	28,344,820

**Statements of Comprehensive Income (continued)** (including the income and expenditure accounts) For the financial year ended 31 March 2015

	Note	Gr <b>2014/2015</b> S\$	oup <b>2013/2014</b> S\$	Auth <b>2014/2015</b> S\$	nority <b>2013/2014</b> S\$
Government grants					
Operating and development grants	16	48,392,766	43,384,877	48,392,766	43,384,877
Deferred capital grants amortised	18	2,609,377	1,603,524	2,609,377	1,603,524
		51,002,143	44,988,401	51,002,143	44,988,401
Surplus before contribution to					
consolidated fund, donations and income tax		37,181,512	74,104,228	36,401,824	73,333,221
Donations		(7,500)	-	(7,500)	-
Contribution to consolidated fund Income tax expense	17 4	(6,052,847) (82,244)	(12,602,111) (57,430)	(6,052,847) —	(12,602,111)
Surplus for the year	5	31,038,921	61,444,687	30,341,477	60,731,110
Other comprehensive income: Item that will not be reclassified to surplus or deficit in subsequent periods Re-measurement gain on defined benefit plan	d 15	_	796,841	-	796,841
Other comprehensive income for the year, net of tax		_	796,841	-	796,841
Total comprehensive income for the year		31,038,921	62,241,528	30,341,477	61,527,951

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# **Balance Sheets** As at 31 March 2015

		Gr	oup	Auth	ority
	Note	2014/2015	2013/2014	2014/2015	2013/2014
A 4 -		S\$	S\$	S\$	S\$
Assets					
Non-current assets	0	00 707 047	50 407 700	00 707 047	50 407 700
Property, plant and equipment Infrastructural project-in-progress	6 7	89,797,247 3,929,049	53,427,706	89,797,247 3,929,049	53,427,706
Investments in subsidiaries	8	3,929,049	_	2,929,049	2
Prepaid land lease	9	19,217,188	_	19,217,188	_
Fixed deposits	11	4,000,000	1,800,000	_	_
Total non-current assets		116,943,484	55,227,706	112,943,486	53,427,708
Current assets					
Trade and other receivables	10	20,138,143	16,277,386	19,696,977	16,072,906
Fixed deposits	11	1,800,000	2,800,000	_	_
Cash and bank balances	12	434,279,604	440,351,414	433,204,064	439,499,606
Total current assets		456,217,747	459,428,800	452,901,041	455,572,512
Total assets		573,161,231	514,656,506	565,844,527	509,000,220
Reserves and liabilities					
Current liabilities					
Fees received in advance	13	69,649,106	66,168,200	65,944,746	63,382,640
Trade payables		13,293,440	7,175,437	13,261,591	7,174,479
Other payables and accruals	14	49,936,895	48,135,155	49,919,751	48,125,460
Provision for pension costs	15	2,360,193	1,556,153	2,360,193	1,556,153
Grants received in advance	16	752,999	1,105,733	752,999	1,105,733
Provision for contribution	17	6 100 210	10 600 111	6 100 210	10 600 111
to consolidated fund	17	6,188,310	12,602,111	6,188,310	12,602,111
Income tax payables		82,244	76,410		
Total current liabilities		142,263,187	136,819,199	138,427,590	133,946,576
Non-current liabilities					
Fees received in advance	13	37,255,643	23,941,382	37,255,643	23,941,382
Other payables and accruals	14	345,236	_	345,236	_
Provision for pension costs	15	5,722,744	8,646,866	5,722,744	8,646,866
Grants received in advance	16	4,967,896	_	4,967,896	<del>-</del>
Deferred capital grants	18	10,534,759	4,216,214	10,534,759	4,216,214
Total non-current liabilities		58,826,278	36,804,462	58,826,278	36,804,462
Net assets		372,071,766	341,032,845	368,590,659	338,249,182
Net assets of trust and agency funds	19	20,057,093	9,544,346	20,057,093	9,544,346

### **Balance Sheets** As at 31 March 2015

		Gre	oup	Auth	ority
	Note	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$
Capital and reserves					
Share capital	20	1,000	1,000	1,000	1,000
Capital account	21	30,816,526	30,816,526	30,816,526	30,816,526
Accumulated surplus		341,254,240	310,215,319	337,773,133	307,431,656
Total capital and reserves		372,071,766	341,032,845	368,590,659	338,249,182
Trust and agency funds	19	20,057,093	9,544,346	20,057,093	9,544,346

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# **Statements of Changes in Reserves** For the financial year ended 31 March 2015

	Note	Share capital S\$	Capital account S\$	Accumulated surplus S\$	<b>Total</b> S\$
Group					
At 1 April 2013		1,000	30,816,526	247,973,791	278,791,317
Surplus for the year		_	_	61,444,687	61,444,687
Other comprehensive income Re-measurement gain on defined benefits plan	15	_	_	796,841	796,841
Total comprehensive income for the year		_	_	62,241,528	62,241,528
At 31 March 2014		1,000	30,816,526	310,215,319	341,032,845
Surplus for the year, representing total comprehensive income for the year		_	_	31,038,921	31,038,921
At 31 March 2015		1,000	30,816,526	341,254,240	372,071,766
Authority					
At 1 April 2013		1,000	30,816,526	245,903,705	276,721,231
Surplus for the year		_	_	60,731,110	60,731,110
Other comprehensive income Re-measurement gain on defined benefits plan	15	_	_	796,841	796,841
Total comprehensive income for the year		-	-	61,527,951	61,527,951
At 31 March 2014		1,000	30,816,526	307,431,656	338,249,182
Surplus for the year, representing total comprehensive income for the year		_	-	30,341,477	30,341,477
At 31 March 2015		1,000	30,816,526	337,773,133	368,590,659

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# Consolidated Cash Flow Statement For the financial year ended 31 March 2015

Cash flows from operating activities   Clesificity/Surplus before government grants   Adjustments for:   Depreciation of property, plant and equipment   9,553,322   6,236,054   Amortisation of prepaid land lease   14,9062   62,103,034   63,000		Gr	oup
Cash flows from operating activities   Cleficity Surplus before government grants   Adjustments for:   Depreciation of property, plant and equipment   9,553,322   6,236,054   Amortisation of prepaid land lease   S49,062   Cash Interest income   (4,056,858)   (2,103,034)   Gain on disposal of property, plant and equipment   (98,399)   (83)   Property, plant and equipment   (98,399)   (83)   Property, plant and equipment   (98,399)   (83)   (83)   Property, plant and equipment   (98,399)   (83)		2014/2015	2013/2014
Adjustments for:         Depreciation of property, plant and equipment         9,553,322         6,236,054           Depreciation of property, plant and equipment         (4,056,858)         (2,103,034)           Gain on disposal of property, plant and equipment         (98,399)         (83)           Property, plant and equipment written-off/expensed         2,127,460         267,379           Allowance/(reversal) for doubtful debts         340,060         (282,324)           Provision for pension costs         335,676         320,941           Impairment of prepaid land lease         2,816,250         -           Impairment of property, plant and equipment         2,816,250         -           Increase in trade avalyables         (1,180,000         1,180,026           Increase in trade payables and accruals         2,593,06         6,980,423           Increase in trade payables         (1,180,000         4,046,234           Payment for income tax         (76,410)         (45,047) </td <td>Cash flows from operating activities</td> <td>34</td> <td>Οψ</td>	Cash flows from operating activities	34	Οψ
Amortisation of prepaid land lease Interest income (34,056,858) (2,103,034 Gain on disposal of property, plant and equipment (98,399) (83) Property, plant and equipment written-off/expensed Allowance/(reversal) for doubtful debts 340,060 (282,324) Provision for pension costs 335,676 320,941 Impairment of prepaid land lease Impairment of property, plant and equipment (Deficit)/Surplus before movement in working capital Increase in trade and other receivables Increase in fees received in advance Increase in fees received in advance Increase in other payables and accruals Increase in other payables and accruals Increase in other payables and accruals Increase in other payables of cash held on behalf of related parties Increase in other payables and accruals Increase in cash held on behalf of related parties Increase in cash neld on behalf of related fund Payment for contribution to consolidated fund Payment for income tax (76,410) (45,047) Donations (7,500) - Pension paid  Cash flows generated from operating activities  Purchase of property, plant and equipment (Note A) Proceeds from disposal of property, plant and equipment Placement of fixed deposits Interest received Payments made for infrastructural project-in-progress  Government grants received  Net cash flows generated from financing activities  Cash flows from financing activities  Government grants received  Net cash flows generated from financing activities  Government grants received  Net cash flows generated from financing activities  Government grants received  Net cash flows generated from financing activities  Say 5,593,594  Net cash flows generated from financing activities  Government grants received  Say 6,251,872  44,005,269  Net (decrease)/increase in cash and cash equivalents  Cash and cash equivalents at beginning of year		(13,820,631)	29,115,827
Interest income			6,236,054
Property, plant and equipment written-off/expensed Allowance/(reversal) for doubtful debts 340,060 (282,324)     Provision for pension costs 335,676 320,941     Impairment of prepaid land lease   2,816,250	Interest income	(4,056,858)	(2,103,034)
Allowance/(reversal) for doubtful debts Provision for pension costs Impairment of prepaid land lease Impairment of property, plant and equipment Increase in trade and other receivables Increase in trade and other receivables Increase in trade payables Increase in other payables and accruals Increase in other payables and accruals Increase in cash held on behalf of related parties  Cash flows generated from operations  Payment for contribution to consolidated fund Payment for income tax Increase in contribution to consolidated fund Payment for income tax Increase in trade flows generated from operating activities  Cash flows generated from operating activities  Purchase of property, plant and equipment Purchase of property, plant and equipment Placement of fixed deposits Increase of property, plant and equipment Placement of fixed deposits Interest received Prepaid land lease Payments made for infrastructural project-in-progress  Net cash flows used in investing activities  Cash flows from financing activities  Cash flows from financing activities  Received Sayanda  Net cash flows used in investing activities  Cash flows from financing activities  Cash flows from financing activities  Cash flows generated from financing activities  Cash and cash equivalents at beginning of year  Augusta  340,060  2,841,482  44,005,269  Net (decrease)/increase in cash and cash equivalents  Cash and cash equivalents at beginning of year		• • • •	
Provision for pension costs Impairment of prepaid land lease Impairment of prepaid land lease Impairment of property, plant and equipment         2,816,250         —           (Deficit)/Surplus before movement in working capital         (2,254,038)         33,829,760           Increase in trade and other receivables         (2,784,322)         (1,100,776)           Increase in fees received in advance         16,795,167         1,858,026           Increase in trade payables         6,118,003         4,816,885           Increase in cash held on behalf of related parties         (1,434,411)         (2,338,084)           Cash flows generated from operations         16,699,705         44,046,234           Payment for contribution to consolidated fund         (12,466,648)         (10,339,408)           Payment for income tax         (76,501)         (45,047)           Donations         (7,500)         -           Pension paid         (2,455,758)         (1,168,742)           Net cash flows generated from operating activities         1,693,389         32,493,037           Cash flows from investing activities         37,478,931)         (20,583,290)           Proceeds from disposal of property, plant and equipment (Note A)         (37,478,931)         (20,583,290)           Proceeds from disposal of property, plant and equipment (Note A)         (37,478,931)         (20,583			
Impairment of prepaid land lease   1	· · · · · · · · · · · · · · · · · · ·		, ,
Impairment of property, plant and equipment   C   275,000     Coeficit/Surplus before movement in working capital   (2,254,038)   33,829,760     Increase in trade and other receivables   (2,784,322)   (1,100,776)     Increase in fees received in advance   16,795,167   1,858,026     Increase in other payables   6,118,003   4,816,885     Increase in other payables   259,306   6,980,423     Increase in cash held on behalf of related parties   (1,434,411)   (2,338,084)     Cash flows generated from operations   16,699,705   44,046,234     Payment for contribution to consolidated fund   (12,466,648)   (10,339,408)     Payment for income tax   (76,410)   (45,047)     Pension paid   (2,455,758)   (1,168,742)     Net cash flows generated from operating activities   1,693,389   32,493,037     Cash flows from investing activities   1,693,389   32,493,037     Cash flows from investing activities   1,693,389   32,493,037     Cash flows from investing activities   (37,478,931)   (20,583,290)     Proceeds from disposal of property, plant and equipment   98,635   94     Placement of fixed deposits   (1,200,000)   (1,800,000)     Interest received   2,640,363   1,788,484     Prepaid land lease   (22,582,500)   -     Payments made for infrastructural project-in-progress   (3,929,049)   -     Net cash flows used in investing activities   (62,451,482)   (20,594,712)     Cash flows from financing activities   (53,251,872   44,005,269     Net cash flows generated from financing activities   (53,251,872   44,005,269     Net (decrease)/increase in cash and cash equivalents   (7,506,221)   55,903,594     Cash and cash equivalents at beginning of year   429,861,477   373,957,883			320,941
CDeficity/Surplus before movement in working capital   (2,254,038)   33,829,760		2,010,230	275,000
Increase in trade and other receivables		(2.254.038)	·
Increase in fees received in advance		,	
Increase in trade payables   118,003   4,816,885   10,700   10,2		, , ,	,
Increase in other payables and accruals   259,306   6,980,423   (1,434,411)   (2,338,084)			
Cash flows generated from operations         16,699,705         44,046,234           Payment for contribution to consolidated fund         (12,466,648)         (10,339,408)           Payment for income tax         (76,410)         (45,047)           Donations         (7,500)         -           Pension paid         (2,455,758)         (1,168,742)           Net cash flows generated from operating activities         1,693,389         32,493,037           Cash flows from investing activities         1,693,389         32,493,037           Purchase of property, plant and equipment (Note A)         (37,478,931)         (20,583,290)           Proceeds from disposal of property, plant and equipment         98,635         94           Placement of fixed deposits         (1,200,000)         (1,800,000)           Interest received         2,640,363         1,788,484           Prepaid land lease         (22,582,500)         -           Payments made for infrastructural project-in-progress         (3,929,049)         -           Net cash flows used in investing activities         (62,451,482)         (20,594,712)           Cash flows from financing activities         53,251,872         44,005,269           Net cash flows generated from financing activities         53,251,872         44,005,269           Net cas			
Payment for contribution to consolidated fund         (12,466,648)         (10,339,408)           Payment for income tax         (76,410)         (45,047)           Donations         (7,500)         -           Pension paid         (2,455,758)         (1,168,742)           Net cash flows generated from operating activities         1,693,389         32,493,037           Cash flows from investing activities         9         (37,478,931)         (20,583,290)           Purchase of property, plant and equipment (Note A)         (37,478,931)         (20,583,290)           Proceeds from disposal of property, plant and equipment         98,635         94           Placement of fixed deposits         (1,200,000)         (1,800,000)           Interest received         2,640,363         1,788,484           Prepaid land lease         (22,582,500)         -           Payments made for infrastructural project-in-progress         (3,929,049)         -           Net cash flows used in investing activities         (62,451,482)         (20,594,712)           Cash flows from financing activities         53,251,872         44,005,269           Net cash flows generated from financing activities         53,251,872         44,005,269           Net (decrease)/increase in cash and cash equivalents         (7,506,221)         55,903,594 <td></td> <td>•</td> <td></td>		•	
Payment for contribution to consolidated fund         (12,466,648)         (10,339,408)           Payment for income tax         (76,410)         (45,047)           Donations         (7,500)         -           Pension paid         (2,455,758)         (1,168,742)           Net cash flows generated from operating activities         1,693,389         32,493,037           Cash flows from investing activities         9         (37,478,931)         (20,583,290)           Purchase of property, plant and equipment (Note A)         (37,478,931)         (20,583,290)           Proceeds from disposal of property, plant and equipment         98,635         94           Placement of fixed deposits         (1,200,000)         (1,800,000)           Interest received         2,640,363         1,788,484           Prepaid land lease         (22,582,500)         -           Payments made for infrastructural project-in-progress         (3,929,049)         -           Net cash flows used in investing activities         (62,451,482)         (20,594,712)           Cash flows from financing activities         53,251,872         44,005,269           Net cash flows generated from financing activities         53,251,872         44,005,269           Net (decrease)/increase in cash and cash equivalents         (7,506,221)         55,903,594 <td></td> <td>40,000,705</td> <td>44040004</td>		40,000,705	44040004
Payment for income tax         (76,410)         (45,047)           Donations         (7,500)         -           Pension paid         (2,455,758)         (1,168,742)           Net cash flows generated from operating activities         1,693,389         32,493,037           Cash flows from investing activities         1,693,389         32,493,037           Purchase of property, plant and equipment (Note A)         (37,478,931)         (20,583,290)           Proceeds from disposal of property, plant and equipment         98,635         94           Placement of fixed deposits         (1,200,000)         (1,800,000)           Interest received         2,640,363         1,788,484           Prepaid land lease         (22,582,500)         -           Payments made for infrastructural project-in-progress         (3,929,049)         -           Net cash flows used in investing activities         (62,451,482)         (20,594,712)           Cash flows from financing activities         53,251,872         44,005,269           Net cash flows generated from financing activities         53,251,872         44,005,269           Net (decrease)/increase in cash and cash equivalents         (7,506,221)         55,903,594           Cash and cash equivalents at beginning of year         429,861,477         373,957,883	-		
Donations         (7,500)         -           Pension paid         (2,455,758)         (1,168,742)           Net cash flows generated from operating activities         1,693,389         32,493,037           Cash flows from investing activities         2           Purchase of property, plant and equipment (Note A)         (37,478,931)         (20,583,290)           Proceeds from disposal of property, plant and equipment Placement of fixed deposits         (1,200,000)         (1,800,000)           Interest received         2,640,363         1,788,484           Prepaid land lease         (22,582,500)         -           Payments made for infrastructural project-in-progress         (3,929,049)         -           Net cash flows used in investing activities         (62,451,482)         (20,594,712)           Cash flows from financing activities         53,251,872         44,005,269           Net cash flows generated from financing activities         53,251,872         44,005,269           Net (decrease)/increase in cash and cash equivalents         (7,506,221)         55,903,594           Cash and cash equivalents at beginning of year         429,861,477         373,957,883	•	,	• •
Pension paid         (2,455,758)         (1,168,742)           Net cash flows generated from operating activities         1,693,389         32,493,037           Cash flows from investing activities           Purchase of property, plant and equipment (Note A)         (37,478,931)         (20,583,290)           Proceeds from disposal of property, plant and equipment         98,635         94           Placement of fixed deposits         (1,200,000)         (1,800,000)           Interest received         2,640,363         1,788,484           Prepaid land lease         (22,582,500)         -           Payments made for infrastructural project-in-progress         (3,929,049)         -           Net cash flows used in investing activities         (62,451,482)         (20,594,712)           Cash flows from financing activities         53,251,872         44,005,269           Net cash flows generated from financing activities         53,251,872         44,005,269           Net (decrease)/increase in cash and cash equivalents         (7,506,221)         55,903,594           Cash and cash equivalents at beginning of year         429,861,477         373,957,883	•	, ,	(45,047)
Net cash flows generated from operating activities  Cash flows from investing activities  Purchase of property, plant and equipment (Note A)  Proceeds from disposal of property, plant and equipment  Placement of fixed deposits  (1,200,000)  Interest received  Prepaid land lease  Payments made for infrastructural project-in-progress  (3,929,049)  Cash flows used in investing activities  Government grants received  Net cash flows generated from financing activities  Say 251,872  Net (decrease)/increase in cash and cash equivalents  Cash and cash equivalents at beginning of year  1,693,389  32,493,037  1,693,389  32,493,037  1,693,290  (20,583,290)  (1,200,000)  (1,800,000)  (1,800,000)  (1,800,000)  (1,800,000)  (1,800,000)  (1,800,000)  (1,800,000)  (22,582,500)  - Payments made for infrastructural project-in-progress  (3,929,049)  -  Net cash flows generated from financing activities  53,251,872  44,005,269  Net (decrease)/increase in cash and cash equivalents  (7,506,221)  55,903,594		, ,	- (4.400.740)
Cash flows from investing activities  Purchase of property, plant and equipment (Note A) (37,478,931) (20,583,290)  Proceeds from disposal of property, plant and equipment 98,635 94  Placement of fixed deposits (1,200,000) (1,800,000)  Interest received 2,640,363 1,788,484  Prepaid land lease (22,582,500) -  Payments made for infrastructural project-in-progress (3,929,049) -  Net cash flows used in investing activities (62,451,482) (20,594,712)  Cash flows from financing activities  Government grants received 53,251,872 44,005,269  Net cash flows generated from financing activities 53,251,872 44,005,269  Net (decrease)/increase in cash and cash equivalents (7,506,221) 55,903,594  Cash and cash equivalents at beginning of year 429,861,477 373,957,883	Pension paid	(2,455,758)	(1,168,742)
Purchase of property, plant and equipment (Note A)  Proceeds from disposal of property, plant and equipment Placement of fixed deposits Placement of fixed deposits Prepaid land lease Prepaid land lease Payments made for infrastructural project-in-progress Payments	Net cash flows generated from operating activities	1,693,389	32,493,037
Proceeds from disposal of property, plant and equipment Placement of fixed deposits (1,200,000) (1,800,000) Interest received 2,640,363 1,788,484 Prepaid land lease Payments made for infrastructural project-in-progress (3,929,049) -  Net cash flows used in investing activities (62,451,482) (20,594,712)  Cash flows from financing activities Government grants received 53,251,872 44,005,269  Net cash flows generated from financing activities (7,506,221) 55,903,594  Cash and cash equivalents at beginning of year 429,861,477 373,957,883	Cash flows from investing activities		
Placement of fixed deposits Interest received Prepaid land lease Payments made for infrastructural project-in-progress  Net cash flows used in investing activities  Government grants received  Net cash flows generated from financing activities  Net (decrease)/increase in cash and cash equivalents  Cash and cash equivalents at beginning of year  (1,200,000) (1,800,000) (2,640,363 (22,582,500) (22,582,500) (3,929,049) (20,594,712)  (62,451,482) (20,594,712)  53,251,872 44,005,269  Net (decrease)/increase in cash and cash equivalents (7,506,221) 55,903,594	Purchase of property, plant and equipment (Note A)	(37,478,931)	(20,583,290)
Interest received Prepaid land lease Payments made for infrastructural project-in-progress  Net cash flows used in investing activities  Cash flows from financing activities  Government grants received  Net cash flows generated from financing activities  Net (decrease)/increase in cash and cash equivalents  Cash and cash equivalents at beginning of year  2,640,363 1,788,484 (22,582,500) - (3,929,049) - (62,451,482) (20,594,712)  53,251,872 44,005,269  Ver (decrease)/increase in cash and cash equivalents (7,506,221) 55,903,594 429,861,477 373,957,883	Proceeds from disposal of property, plant and equipment	98,635	94
Prepaid land lease Payments made for infrastructural project-in-progress  Net cash flows used in investing activities  Cash flows from financing activities  Government grants received  Net cash flows generated from financing activities  Sale of the cash flows generated from financing activities  Net (decrease)/increase in cash and cash equivalents  Cash and cash equivalents at beginning of year  (22,582,500)  (3,929,049)  (20,594,712)  (62,451,482)  (20,594,712)  53,251,872  44,005,269  Net (decrease)/increase in cash and cash equivalents  (7,506,221)  55,903,594  429,861,477  373,957,883	Placement of fixed deposits	(1,200,000)	(1,800,000)
Payments made for infrastructural project-in-progress (3,929,049) –  Net cash flows used in investing activities (62,451,482) (20,594,712)  Cash flows from financing activities  Government grants received 53,251,872 44,005,269  Net cash flows generated from financing activities 53,251,872 44,005,269  Net (decrease)/increase in cash and cash equivalents (7,506,221) 55,903,594  Cash and cash equivalents at beginning of year 429,861,477 373,957,883	Interest received	2,640,363	1,788,484
Net cash flows used in investing activities  Cash flows from financing activities  Government grants received  Net cash flows generated from financing activities  Net (decrease)/increase in cash and cash equivalents  Cash and cash equivalents at beginning of year  (62,451,482)  (20,594,712)  53,251,872  44,005,269  (7,506,221)  55,903,594  429,861,477  373,957,883	·	, ,	_
Cash flows from financing activities  Government grants received 53,251,872 44,005,269  Net cash flows generated from financing activities 53,251,872 44,005,269  Net (decrease)/increase in cash and cash equivalents (7,506,221) 55,903,594  Cash and cash equivalents at beginning of year 429,861,477 373,957,883	Payments made for infrastructural project-in-progress	(3,929,049)	-
Government grants received53,251,87244,005,269Net cash flows generated from financing activities53,251,87244,005,269Net (decrease)/increase in cash and cash equivalents(7,506,221)55,903,594Cash and cash equivalents at beginning of year429,861,477373,957,883	Net cash flows used in investing activities	(62,451,482)	(20,594,712)
Net cash flows generated from financing activities  53,251,872 44,005,269  Net (decrease)/increase in cash and cash equivalents  (7,506,221) 55,903,594  Cash and cash equivalents at beginning of year  429,861,477 373,957,883	Cash flows from financing activities		
Net (decrease)/increase in cash and cash equivalents  (7,506,221) 55,903,594  Cash and cash equivalents at beginning of year 429,861,477 373,957,883	Government grants received	53,251,872	44,005,269
Cash and cash equivalents at beginning of year 429,861,477 373,957,883	Net cash flows generated from financing activities	53,251,872	44,005,269
	Net (decrease)/increase in cash and cash equivalents	(7,506,221)	55,903,594
Cash and cash equivalents at end of year (Note 12) 422,355,256 429,861,477	Cash and cash equivalents at beginning of year	429,861,477	373,957,883
	Cash and cash equivalents at end of year (Note 12)	422,355,256	429,861,477

# **Consolidated Cash Flow Statement (continued)** For the financial year ended 31 March 2015

### Note A

Purchase of property, plant and equipment:

	Gro	up
	2014/2015	2013/2014
	S\$	S\$
Additions of property, plant and equipment (Note 6)	48,050,579	22,422,044
Add: Opening accruals for the purchase of property,		
plant and equipment (Note 14)	1,973,174	134,420
Less: Closing accruals for the purchase of property,		
plant and equipment (Note 14)	(3,515,608)	(1,973,174)
Less: Fixed assets received from Ministry of National Development		
(Note 18)	(8,384,266)	_
Less: Other fixed assets received (Note 18)	(299,712)	_
Less: Provision for reinstatement cost (Note 14)	(345,236)	_
-	37,478,931	20,583,290
<u>-</u>	37,470,931	20,303,290

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

### Notes to the financial statements For the financial year ended 31 March 2015

#### 1. **Domicile and activities**

The Building and Construction Authority (the "Authority") is established as a statutory board in the Republic of Singapore under the Building and Construction Authority Act, Chapter 30A (the "Act").

The registered office of the Authority is located at 52 Jurong Gateway Road, #11-01, Singapore 608550.

The mission of the Authority is to shape a safe, high quality, sustainable and friendly built environment. The principal activities of the subsidiaries are disclosed in Note 8 to the financial statements.

#### 2. Summary of significant accounting policies

#### 2.1 Basis of preparation

The financial statements have been prepared in accordance with the provision of the Act and the Statutory Board Financial Reporting Standards ("SB-FRS"). SB-FRS includes Statutory Board Financial Reporting Standards, Interpretations of SB-FRS and SB-FRS Guidance Notes as promulgated by the Accountant-General.

The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Singapore dollars ("SGD" or "S\$").

#### 2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards and interpretation of SB-FRS ("INT SB-FRS") that are effective for annual periods beginning on or after 1 April 2014. The adoption of these standards and interpretations did not have any material effect on the financial performance or position of the Group and the Authority.

#### 2.3 Standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective as at 1 April 2015, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group, except for SB-FRS 109 and SB-FRS 115. The nature of the impending changes in accounting policy on adoption of SB-FRS 109 and SB-FRS 115 are described below.

Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.3 Standards issued but not yet effective (continued)

### SB-FRS 109 Financial Instruments

In December 2014, the Accounting Standards Council Singapore ("ASC") issued the SB-FRS 109 Financial Instruments which reflects all phases of the financial instruments project and replaces SB-FRS 39 Financial Instruments: Recognition and Measurement. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. SB-FRS 109 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of SB-FRS 109 will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

### SB-FRS 115 Revenue from Contracts with Customers

SB-FRS 115 was issued in November 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under SB-FRS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in SB-FRS 115 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under SB-FRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The Group is currently assessing the impact of SB-FRS 115 and plans to adopt the new standard on the required effective date.

#### 2.4 Basis of consolidation

The financial statements of the Group include the financial statements of the Authority and its subsidiaries made up to the end of the financial year. Information on its subsidiaries is given in Note 8 to the financial statements.

All related companies balance and significant related company transactions and resulting unrealised profits or losses are eliminated on consolidation and the consolidated financial statements reflect external transactions and balances only. The results of its subsidiaries acquired or disposed of during the financial year are included or excluded from the consolidated statement of comprehensive income from the effective date in which control is transferred to the Group or in which control ceases, respectively.

#### 2.5 **Functional currency**

Items included in the financial statements in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Singapore Dollars, which is the Authority's functional currency.

The Authority and its subsidiaries determine its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

## Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.5 **Functional currency (continued)**

### Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Authority and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

#### 2.6 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item includes its purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management, the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land and office buildings 8 - 10 years and 29 years

Site office and land improvement 10 years Office, photo printing and training equipment 5 - 10 years Furniture, fittings and fixtures 8 years Data processing equipment 3 - 5 years

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.6 Property, plant and equipment (continued)

The residual value, useful life and depreciation method are reviewed at each financial yearend, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

#### 2.7 Infrastructural project-in-progress

Project cost incurred by the Authority is recognised as an asset at cost on the Balance Sheets as its accumulated surplus is used to fund the project. Upon completion of the project, the asset will be transferred to the designated government agency as contribution to the Government, with a corresponding reduction against the Authority's accumulated surplus.

#### 2.8 **Prepaid land lease**

The prepaid land lease is initially measured at cost less impairment losses. Following initial recognition, the prepaid land lease is measured at cost less accumulated amortisation. The prepaid land lease is amortised on a straight-line basis over the lease term of 30 years.

#### 2.9 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written-down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculation generally cover a period of five years. For longer periods, an appropriate long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.9 Impairment of non-financial assets (continued)

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cashgenerating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

#### 2.10 **Subsidiaries**

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Authority's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

#### 2.11 Financial instruments

#### (a) **Financial assets**

### Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

### Subsequent measurement - Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

### **De-recognition**

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.11 Financial instruments (continued)

#### Financial assets (continued) (a)

### Regular way purchase or sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

#### (b) **Financial liabilities**

# Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value. In the case of financial liabilities not recognised at fair value through profit or loss, they are recognised at fair value plus directly attributable transaction costs.

### **Subsequent measurement - Other financial liabilities**

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

### **De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

#### (c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.12 Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

#### Financial assets carried at amortised cost (a)

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written-off against the carrying value of the financial assets.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

#### (b) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.13 Cash and bank balances

Cash and bank balances comprise cash at bank and on hand, demand deposits, and shortterm, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the financial statements, cash and bank balances comprise cash at bank, fixed deposits with financial institutions and cash balances with the Accountant-General Department which are subject to an insignificant risk of change in value. The cash at bank not available for general use is disclosed in Note 12 to the financial statements.

#### 2.14 **Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### Provision for reinstatement cost

The provision for reinstatement costs from contractual obligation to restore the leased office to their original states are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of that particular asset. The cash flows are discounted at a current pre tax rate that reflects the risks specific to the reinstatement liability. The unwinding of the discount is expensed as incurred and recognised in profit or loss as a finance cost. The estimated future costs of reinstatement are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

#### 2.15 **Government grants**

Government grants are recognised at their fair values where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income are presented as a credit in profit or loss.

### Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.16 **Taxes**

#### (a) **Current income tax**

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the income and expenditure account except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

#### (b) **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### (c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.17 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

- Plan fees are recognised as income over the expected duration of individual projects;
- Advertisement licence fees are recognised as income over the validity periods of the licence:
- Course fees are recognised as income over the duration of the courses;
- Quality assessment and certification fees are recognised as income over the assessment period;
- Trade test fees are recognised as income on completion of trade tests;
- Contractors registration fees are recognised as income over the validity period of the registration;
- Operating lease income is recognised on a straight-line basis over the lease term;
- Management fees are recognised as income over the period of services rendered; and:
- Interest income is recognised using the effective interest method.

#### 2.18 Trust and agency funds

Trust and agency funds are government grants and contributions from other organisations where the Authority is not the owner and beneficiary of the funds. The Authority is merely administering the funds on behalf of the holders of these funds. Income and expenditure of these funds are taken directly to the funds. The net assets relating to the funds are shown as a separate line item in the balance sheets.

Trust and agency funds are accounted for on a cash basis.

### Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.19 **Employee benefit**

#### **Defined contribution plans** (a)

The Group makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

#### (b) **Employee leave entitlement**

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

#### (c) Defined benefit retirement obligations

Provision for pension benefits is made for pensionable officers transferred to the Authority on 1 April 1999. Defined benefit retirement obligations due to pensionable officers are recognised in the balance sheets in accordance with the Pensions Act, Chapter 225.

The Authority had engaged an actuarial to assess the provision for pension costs for the first time in the previous financial year.

An actuarial valuation is conducted once every four years or as and when required to determine the cost of pension benefits due to these officers using the Projected Unit Credit Method.

Defined benefit costs comprise the following:

- Service cost
- Interest cost on the provision for defined benefits
- Re-measurements of the provision for defined benefits

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in income or expenditure. Past service costs are recognised when plan amendment or curtailment occurs.

Interest cost on the provision for defined benefits is the change during the period in the provision that arises from the passage of time which is determined by applying the discount rate based on the Singapore Government bond yield to the provision. Interest cost on the provision is recognised in income or expenditure.

Re-measurements comprising actuarial gains and losses are recognised immediately in other comprehensive income in the period in which they arise. Remeasurements are recognised in accumulated surplus within equity and are not reclassified to income or expenditure in subsequent periods.

### Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.19 **Employee benefit (continued)**

#### (d) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

#### 2.20 Lease

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 January 2005, the date of inception is deemed to be 1 January 2005 in accordance with the transitional requirements of INT FRS 104.

#### (a) As lessee

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

#### (b) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

#### 2.21 Statutory contribution to consolidated fund

The Authority is required to contribute to the Consolidated Fund based on a percentage of the net surplus of the Authority (before donations) for each financial year. The percentage of contribution is determined by the Ministry of Finance.

Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.22 Contingencies

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be (a) confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- a present obligation that arises from past events but is not recognised because: (b)
  - It is not probable that an outflow of resources embodying economic (i) benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheets of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

#### 2.23 Related parties

For the purpose of these financial statements, parties are considered to be related to the Authority if the Authority has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Authority and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Authority is a statutory board under the purview of Ministry of National Development ("MND") and is an entity related to the Government of Singapore. Accordingly, the Authority's related parties include Government-related entities such as Ministries, Organs of State and other Statutory Boards.

In accordance with Paragraph 28A of SB-FRS 24 Related Party Disclosures, the Authority is exempted from disclosing transactions with government-related entities other than Ministries, Organs of State and other Statutory Boards, unless there are circumstances to indicate that these transactions are unusual and their disclosure would be of interest to readers of the financial statements.

Notes to the financial statements For the financial year ended 31 March 2015

#### 2. Summary of significant accounting policies (continued)

#### 2.23 Related parties (continued)

The Authority also applies the exemption in Paragraph 25 of SB-FRS 24 Related Party Disclosures. Required disclosures of transactions and outstanding balances with government-related entities are limited to the following information to enable users of the Authority's financial statements to understand the effect of the related party transactions on the financial statements:

- the nature and amount of each individually significant transaction with Ministries, (i) Organs of State and other Statutory Boards; and
- for other transactions with Ministries, Organs of State and other Statutory Boards that (ii) are collectively but not individually significant, a qualitative or quantitative indication of their extent.

#### 3. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues. expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

#### 3.1 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### Impairment of loans and receivables (a)

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivables at the end of the reporting period is disclosed in Note 10 to the financial statements.

### Notes to the financial statements For the financial year ended 31 March 2015

#### 3. Significant accounting judgements and estimates (continued)

#### 3.1 Key sources of estimation uncertainty (continued)

#### (b) Depreciation of plant and equipment

Plant and equipment are depreciated on a straight-line basis over their estimated economic useful lives. Management estimates the useful lives of these plant and equipment to be within 3 to 10 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of the Group's and Authority's plant and equipment at 31 March 2015 was S\$20,088,388 (2013/2014: S\$14,607,009).

#### (c) Provision for pension costs

The Group recognised a provision for pension cost for employees who are under the pension scheme. The provision has been computed based on certain assumptions and estimates as disclosed in Note 15 to the financial statements and revisions to the assumptions and estimates could impact the provision made. As at 31 March 2015, provision for pension costs amounted to S\$8,082,937 (2013/2014: S\$10,203,019).

#### 4. Income tax expense

The subsidiaries of the Authority are subject to tax under Section 13(1)(e) of the Singapore Income Tax Act as follows:

	Gro	oup
	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$
Current income tax		
- Current income taxation	82,244	76,410
- Over provision in respect of prior years	_	(18,980)
	82,244	57,430

Notes to the financial statements For the financial year ended 31 March 2015

#### 4. Income tax expense (continued)

Relationship between tax expense and accounting profit of the subsidiaries

A reconciliation between tax expense and the product of accounting profit of its subsidiaries multiplied by the applicable corporate tax rate for the financial years ended 31 March 2015 and 2014 is as follows:

	Gro	oup
	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$
Profit before tax of its subsidiaries	779,688	778,440
Tax at statutory rate of 17% (2013/2014: 17%) Adjustments:	132,547	132,335
Tax exempt income	(25,925)	(25,925)
Corporate income tax rebate	(20,000)	(30,000)
Over provision in respect of prior years	_	(18,980)
Utilisation of deferred tax assets previously not recognised	(4,378)	_
Income tax expense recognised in profit or loss	82,244	57,430

As at 31 March 2015, the Group has unutilised tax losses of approximately S\$164,000 (2013/2014: S\$190,000) available for offset against future taxable profits, subject to compliance with the relevant provisions of the Singapore Income Tax Act.

#### 5. Surplus for the year

The following items have been included in arriving at surplus for the financial year:

	Group and	•
	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$
Builders Licensing Fees	(2,117,872)	(1,963,904)
Importers Licensing Fees Contribution to defined contribution plans, included in	(3,693,052)	(4,042,303)
employee benefit costs	10,836,793	9,555,851
Cost of obligations in respect of defined benefit retirement plan (pension costs), included in employee		
benefit costs	335,676	320,941
Allowance/(reversal) for doubtful debts	340,060	(282,324)
Property, plant and equipment written-off/expensed	2,127,480	267,379
Gain on disposal of property, plant and equipment	(98,399)	(83)
Impairment for property, plant and equipment	_	275,000
Publicity materials expense	3,275,705	2,765,311
Board members' allowances	123,750	123,750
Foreign exchange loss	16,005	8,910
Impairment loss for prepaid land lease	2,816,250	_
Input GST disallowed	9,624,529	747,023

Building and Construction Authority and its subsidiaries

Notes to the financial statements For the financial year ended 31 March 2015

Property, plant and equipment <u>ن</u>

Group and Authority	Leasehold land S\$	Office building S\$	Site office and land improvement S\$	Office, photo printing and training equipment	Furniture, fittings and fixtures S\$	Data processing equipment S\$	Assets under construction	Total S\$
Cost: At 1 Apr 2013 Additions Reclassification Disposals Written-off	15,029,724 25,256,382 - 183,505 	25,256,382 183,505 - -	1,131,436	7,868,264 380,531 - (209,007)	21,388,985 1,778,411 103,405 - (837,232)	8,891,936 983,968 856,185 (337,590) (91,124)	6,959,362 19,095,629 (959,590) - (237,826)	86,526,089 22,422,044 - (337,590) (1,375,189)
At 31 March 2014 Additions Reclassification Disposals Written-off	15,029,724 25,439,887 - 4,333,984 - 1,333,984 - 1,333,987	25,439,887 - 4,333,984 - -	1,131,436 38,050 61,800 - (209,591)	8,039,788 600,753 554,048 (505,649) (490,570)	22,433,569 9,374,416 572,956 (7) (852,851)	10,303,375 1,780,162 509,496 (588) (126,545)	24,857,575 36,257,198 (6,032,284)	107,235,354 48,050,579 - (506,244) (1,679,557)
Adjustment * At 31 March 2015	- (26 15,029,724 29,51	(261,920)	1,021,695	8,198,370	- (2,250,417) 8,198,370 29,277,666	12,465,900	55,082,489	(2,512,337)

<sup>\*</sup> Adjustment to cost upon completion of projects.

Building and Construction Authority and its subsidiaries

Notes to the financial statements For the financial year ended 31 March 2015

Property, plant and equipment (continued) 9

			Site office	Office, photo printing and	Furniture.	Data	Assets	
Group and Authority	Leasehold land S\$	Office building S\$	and land improvement S\$	training equipment S\$	fittings and fixtures	processing equipment S\$	under construction S\$	<b>Total</b> S\$
Accumulated depreciation/impairment At 1 Apr 2013	7,724,677	17,386,246	738,662	5,735,482	10,667,786	6,214,130	I	48,466,983
Depreciation for the year Disposals	518,266	877,300	102,351	478,578	2,708,233	1,551,326 (337,579)	1 1	6,236,054 (337,579)
Written-off	I	I	I	(200,254)	(816,447)	(91,109)	I	(1,107,810)
Impairment loss Reclassification from provision	I	I	I	I	275,000	I	I	275,000
for impairment	ı	ı	I	I	275,000	I	ı	275,000
At 31 March 2014	8,242,943	18,263,546	841,013	6,013,806	13,109,572	7,336,768	I	53,807,648
Depreciation for the year	1,310,461	2,098,355	108,691	743,198	3,484,912	1,807,705	I	9,553,322
Uisposals Written-off	1 1	I I	(209,592)	(303,617) (477,859)	(725,997)	(100,966)	1 1	(306,006) $(1,514,414)$
Reversal of impairment loss	I	I	I	I	(220,000)	I	I	(550,000)
At 31 March 2015	9,553,404	20,361,901	740,112	5,773,528	15,318,487	9,043,116	1	60,790,548
Net carrying amount							! ! !	
At 31 March 2014	6,786,781	7,176,341	290,423	2,025,982	9,323,997	2,966,607	24,857,575	53,427,706
At 31 March 2015	5,476,320	9,150,050	281,583	2,424,842	13,959,179	3,422,784	55,082,489	89,797,247

Notes to the financial statements For the financial year ended 31 March 2015

#### 6. Property, plant and equipment (continued)

Included in property, plant and equipment is an amount of S\$8,384,266 that has been allocated by the Ministry of National Development to the Authority in connection with the relocation of the Authority to its new office premises during the current financial year. A corresponding amount of S\$8,384,266 in capital grants has been recorded in deferred capital grants through this allocation arrangement from the Ministry of National Development to fund the purchase of these property, plant and equipment.

#### 7. Infrastructural project-in-progress

As at 31 March 2015, an amount of S\$3,929,049 (2013/2014: Nil) was incurred for the infrastructural development of the Tuas Concrete Site. On completion of the project, the asset will be transferred to the Ministry of National Development as contribution to the Government, with a corresponding reduction against the Authority's accumulated surplus.

	Group and	Group and Authority		
	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$		
At 1 April Additions	_ 3,929,049	<u>-</u> -		
At 31 March	3,929,049	_		

#### 8. Investments in subsidiaries

	Auth	Authority		
	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$		
Unquoted shares, at cost	2	2		

The subsidiaries at 31 March 2015 are:

Name of subsidiaries	Country of incorporation	Principal activities	Percent ownership 2014/2015 %	interest
BCA International Private Limited	Singapore	Construction related consultancy and advisory services	100	100
BCA Centre for Sustainable Buildings Ltd	Singapore	Research and consultancy services for sustainable building policies and climate change	100	100

Notes to the financial statements For the financial year ended 31 March 2015

#### 9. **Prepaid land lease**

	<b>Group and 2014/2015</b> S\$	Authority 2013/2014 S\$
Cost:		
At 1 April Additions	22,582,500	
Less: Impairment loss	(2,816,250)	
At 31 March	19,766,250	_
Accumulated amortisation:		
At 1 April	_	_
Amortisation for the year	549,062	
At 31 March	549,062	_
Net carrying amount	19,217,188	
Amount to be amortised:		
- Not later than one year	658,875	_
- Later than one year but not later than five years	2,635,500	_
- Later than five years	15,922,813	_

The Authority leases a plot of industrial land from the Housing and Development Board for the development of the Integrated Construction and Precast Hub. The plot of land is in turn leased out to a third party. The lease has a remaining tenure of 29 years (2013/2014: Nil).

During the financial year ended 31 March 2015, an impairment loss of S\$2,816,250 (2013/2014: Nil) was made to recognise the rental shortfall borne by the Authority.

Notes to the financial statements For the financial year ended 31 March 2015

#### 10. Trade and other receivables

	Gro	oup	Authority	
	2014/2015	2013/2014	2014/2015	2013/2014
	S\$	S\$	S\$	S\$
Trade receivables	14,479,906	8,255,727	13,689,562	7,865,720
Other receivables Grant receivable from Ministry of National	4,445,097	4,902,634	4,433,929	4,883,544
Development ("MND") Amounts due from subsidiaries	_	2,004,629	_	2,004,629
- non-trade	_	_	421,085	264,863
Deposits	9,863	9,364	9,863	9,364
Prepayments	1,203,277	1,105,032	1,142,538	1,044,786
Total trade and other	00 400 440	40.077.000	40.000.077	40.070.000
receivables	20,138,143	16,277,386	19,696,977	16,072,906
Less: Prepayments Add: Fixed deposits	(1,203,277)	(1,105,032)	(1,142,538)	(1,044,786)
(Note 11) Add: Cash and cash equivalents	5,800,000	4,600,000	-	_
(Note 12)	422,355,256	429,861,477	421,279,716	429,009,669
Total loans and receivables	447,090,122	449,633,831	439,834,155	444,037,789

Trade and other receivables are denominated in Singapore Dollars.

### Trade receivables

Trade receivables are non-interest bearing and are on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

# Amounts due from subsidiaries

The non-trade amounts due from subsidiaries are unsecured, interest-free, repayable on demand and are to be settled in cash.

### Receivables that are past due but not impaired

The Group and the Authority has trade and other receivables amounting to S\$7,776,549 and S\$7,243,969 (2013/2014: S\$701,207 and S\$390,411), respectively that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

Notes to the financial statements For the financial year ended 31 March 2015

#### 10. Trade and other receivables (continued)

Receivables that are past due but not impaired

	Gro	oup	Authority	
	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$
Receivables past due but not impaired				
- < 3 months	5,114,433	371,967	5,036,573	274,188
- 3 months to 6 months	1,929,856	201,978	1,762,386	37,651
- 6 months to 12 months	559,747	45,885	381,187	31,485
- > 12 months	172,513	81,377	63,823	47,087
	7,776,549	701,207	7,243,969	390,411

### Receivables that are impaired

The Group's trade receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

	Group and 2014/2015 S\$	Authority 2013/2014 S\$
Trade receivable - nominal amount Less: Allowance for impairment	597,098 (597,098)	257,038 (257,038)
	_	_
Movement in allowance accounts: At 1 April Charge/(reversal) for the year (Note 5)	257,038 340,060	539,362 (282,324)
At 31 March	597,098	257,038

Notes to the financial statements For the financial year ended 31 March 2015

#### 11. **Fixed deposits**

	Group		
	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$	
Fixed deposits with financial institutions	5,800,000	4,600,000	
Represented by:			
Current	1,800,000	2,800,000	
Non-current	4,000,000	1,800,000	
	5,800,000	4,600,000	

Fixed deposits with financial institutions are made for periods of 18 months (2013/2014: 18 to 24 months). The weighted average effective interest rates as at 31 March 2015 for the Group were 0.50% to 1.15% (2013/2014: 0.50% to 0.53%).

Fixed deposits are denominated in Singapore Dollars.

#### 12. Cash and bank balances

Gre	Group		ority
2014/2015	2013/2014	2014/2015	2013/2014
S\$	S\$	S\$	S\$
12,684,001	10,400,340	11,608,461	9,548,532
421,595,603	429,951,074	421,595,603	429,951,074
434 279 604	440 351 414	433 204 064	439,499,606
101,270,001	110,001,111	100,201,001	100, 100,000
(11,924,348)	(10,489,937)	(11,924,348)	(10,489,937)
422,355,256	429,861,477	421,279,716	429,009,669
	2014/2015 S\$ 12,684,001 421,595,603 434,279,604 (11,924,348)	2014/2015 \$\$ 2013/2014 \$\$ \$\$  12,684,001 10,400,340 421,595,603 429,951,074  434,279,604 440,351,414 (11,924,348) (10,489,937)	2014/2015       2013/2014       2014/2015         S\$       S\$         12,684,001       10,400,340       11,608,461         421,595,603       429,951,074       421,595,603         434,279,604       440,351,414       433,204,064         (11,924,348)       (10,489,937)       (11,924,348)

Cash and cash equivalents are denominated in Singapore Dollars.

Cash at bank not available for general use

The Group acts as a collection agent for various parties on certain projects and collects payments on their behalf.

### Cash with the AGD

On 2 November 2009, the Accountant-General's Department ("AGD") issued a Circular No. 4/2009 to centrally manage the cash of all Statutory Boards and Ministries under the Centralised Liquidity Management ("CLM") scheme. This scheme aims to achieve higher returns and to better manage credit risk at the Whole-of-Government level. The Authority has participated in the CLM scheme since 25 March 2010.

# Notes to the financial statements For the financial year ended 31 March 2015

13.	Fees received in advance				
		Gro	oup	Auth	ority
		<b>2014/2015</b> S\$	<b>2013/2014</b> S\$	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$
	Balance at 1 April	90,109,582	88,251,556	87,324,022	86,519,046
	Add: Fees received	157,187,074	144,825,848	155,494,077	142,985,101
	Less: Fees recognised as revenue	(140,391,907)	(142,967,822)	(139,617,710)	(142,180,125)
	Balance at 31 March	106,904,749	90,109,582	103,200,389	87,324,022
	Represented by:				
	Current	69,649,106	66,168,200	65,944,746	63,382,640
	Non-current	37,255,643	23,941,382	37,255,643	23,941,382
		106,904,749	90,109,582	103,200,389	87,324,022

14.	Other payables and accruals					
14.	Other payables and accidats	Gro	up	Authority		
		<b>2014/2015</b> S\$	<b>2013/2014</b> S\$	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$	
	Other payables and accruals (current):					
	Amounts due to MND	11,376,585	10,381,965	11,376,585	10,381,965	
	Maintenance deposits	89,019	89,019	89,019	89,019	
	Sundry creditors Provision for unconsumed	2,244,251	5,648,698	2,244,251	5,648,698	
	leave Accruals for operating	3,575,870	3,392,997	3,575,870	3,392,997	
	expenses Accruals for the purchase of property, plant and	11,604,600	11,363,052	11,587,456	11,353,357	
	equipment	3,515,608	1,973,174	3,515,608	1,973,174	
	Security/tender deposits	16,065,166	13,725,857	16,065,166	13,725,857	
	Scholarships	1,465,796	1,560,393	1,465,796	1,560,393	
	_	49,936,895	48,135,155	49,919,751	48,125,460	
	Other payables and accruals (non-current):					
	Provision for reinstatement cost	345,236	-	345,236	_	
	Total other payables and					
	accruals	50,282,131	48,135,155	50,264,987	48,125,460	
	Add: Trade payables Less: Provision for	13,293,440	7,175,437	13,261,591	7,174,479	
	unconsumed leave	(3,575,870)	(3,392,997)	(3,575,870)	(3,392,997)	
	Total financial liabilities carried at amortised costs	50 000 701	51 017 505	50 050 709	51 006 042	
	camed at amortised costs	59,999,701	51,917,595	59,950,708	51,906,942	

### Notes to the financial statements For the financial year ended 31 March 2015

#### 14. Other payables and accruals (continued)

The amounts due to MND mainly pertain to the amounts collected on their behalf by the Authority for certain projects which the Group acts as an agent and other non-trade payables. These balances are unsecured, interest-free, repayable on demand and are to be settled in cash.

Sundry creditors are non-interest bearing and normally have an average term of six months.

Included in Security/tender deposits is an amount of S\$13,840,803 (2013/2014: S\$12,047,696) collected under the Green Mark Gross Floor Area Incentive Scheme.

Provision for reinstatement cost of S\$345,236 (2013/2014: Nil) is the estimated cost of restoring the leased offices to their original states. The amount has been capitalized in the cost of the property, plant and equipment.

#### 15. **Provision for pension costs**

	<b>Group and Authority</b>		
	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$	
At 1 April Add: Amount provided during the year (Note 5)	10,203,019 335,676	11,847,661 320,941	
Less:	10,538,695	12,168,602	
Re-measurement gain on defined benefits plan Pension paid during the year	(2,455,758)	(796,841) (1,168,742)	
At 31 March	8,082,937	10,203,019	
Represented by: Current Non-current	2,360,193 5,722,744	1,556,153 8,646,866	
	8,082,937	10,203,019	

There are currently 10 (2013/2014: 14) employees of the Group who are under pension schemes other than CPF. The pension amount to be paid to each employee upon retirement under this scheme is dependent on, among other factors, the number of years of service and the last drawn salary. The total pension costs are shared between the Group and the AGD. The Group is only liable for the pension costs for the period of service completed by the employee with the Group.

The employees are entitled to select one of the following pension options upon retirement:

- Annual pension payments: (i)
- (ii) Reduced pension with gratuity payment; or
- (iii) Lump sum gratuity payment.

### Notes to the financial statements For the financial year ended 31 March 2015

#### 15. Provision for pension costs (continued)

The defined retirement benefits obligations due to pensionable officers are determined based on the last drawn salaries of the respective pensionable officers and the pensionable officers' cumulative service period served with the Authority at the time of retirement, assuming that all pensionable officers work till the age of 62 years and have a 40% and 60% probability of choosing the option for reduced pension with gratuity payment and option for lump sum gratuity payment respectively.

The provision has been estimated by management based on the valuation of the pension scheme performed by an independent firm of professional actuaries.

The principal assumptions used by the professional actuaries in determining the pension costs are:

Discount rate – Gratuity : 0.36% per annum Discount rate – Pension : 3.20% per annum Expected salary increment : 3.00% per annum

: S0408 Singapore Mortality Table Mortality rate

Expected retirement age : 62

Building and Construction Authority and its subsidiaries

Notes to the financial statements For the financial year ended 31 March 2015

16.	Grants received in advance	Operatir	Onerating grants	Developm	Development grants	Ė	Total
		2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014
	At 1 April Government grants received/receivable Reversal of government grants receivable	353,155 48,227,220 (46,092)	332,393 43,923,881 -	752,578 5,154,266 (83,522)	915,675 231,655 (150,267)	1,105,733 53,381,486 (129,614)	1,248,068 44,155,536 (150,267)
	Transfer to deferred capital grants Reversal of government grants receivable	(50,586)	(290,755) (77,220)	(193,358)	(471,972) 77,220	(243,944)	(762,727)
	Net transfer to deferred capital grants (Note 18)	(50,586)	(367,975)	(193,358)	(394,752)	(243,944)	(762,727)
	Transfer to income and expenditure account Reversal of government grants receivable	(48,421,204)	(43,535,144)	(55,084) 83,522	150,267	(48,476,288) 83,522	(43,535,144) 150,267
	Net (transfer to)/reversal from income and expenditure account (operating and development grants)	(48,421,204)	(43,535,144)	28,438	150,267	(48,392,766)	(43,384,877)
	At 31 March	62,493	353,155	5,658,402	752,578	5,720,895	1,105,733
	Represented by: Current Non-current	62,493	353,155	690,506 4,967,896	752,578	752,999 4,967,896	1,105,733
		62,493	353,155	5,658,402	752,578	5,720,895	1,105,733

Notes to the financial statements For the financial year ended 31 March 2015

#### 17. Provision for contribution to consolidated fund

The Authority is required to make contributions to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act, Chapter 319A and in accordance with the Finance Circular Minute No. M5/2005 with effect from 1 April 2004. The contribution is based on a percentage, as decided by the Ministry of Finance, of the net surplus of the Authority (before donations) for the financial year. The percentage for FY2014/15 is prevailing corporate tax of 17% (2013/2014: 17%).

The total contribution for the year can be reconciled to the total comprehensive income (before donations) as follows:

	<b>Group and</b> <b>2014/2015</b> S\$	Authority 2013/2014 S\$
Surplus of the Authority before donation and contribution to consolidated fund, representing surplus subject to contribution Adjustment for Other Comprehensive Income	36,401,824 –	73,333,221 796,841
	36,401,824	74,130,062
Contribution at 17% (2013/2014: 17%) Over provision in respect of prior years	6,188,310 (135,463)	12,602,111 -
Contribution to consolidated fund recognised in profit or loss	6,052,847	12,602,111

#### 18. **Deferred capital grants**

	Group and Authority	
	2014/2015	2013/2014
	S\$	S\$
At 1 April	4,216,214	5,057,011
Add: Government grants received/receivable		
Transferred from grants received in advance (Note 16) Allocation from MND for assets additions in current year	243,944	762,727
(Note 6)	8,384,266	_
Other assets received	299,712	_
Less: Amortisation of deferred capital grants	(2,609,377)	(1,603,524)
At 31 March	10,534,759	4,216,214

# Notes to the financial statements For the financial year ended 31 March 2015

#### 19. Net assets of trust and agency funds

The trust and agency funds comprise 17 funds (2013/2014: 15 funds) managed by the Authority on behalf of other agencies.

The following funds were set up using grants provided by the Ministry of National Development:

#### MND Research Fund (a)

The MND Research Fund is used for providing support for applied Research and Development projects to raise the quality of life in Singapore. The Authority is both the administrator and a recipient of the MND Research Fund.

#### (b) Accessibility Fund

The Accessibility Fund is used for providing support to the private sector building owners for voluntary upgrading of barrier-free accessibility in buildings with the provision of basic accessibilty features.

#### (c) Green Mark Incentive Scheme (New Buildings)

The Green Mark Incentive Scheme (New Buildings) is used for providing support to encourage developers and owners in the private sector to attain higher Green Mark ratings for their developments by the adoption of Green Building technologies in new construction projects.

#### (d) Green Mark Incentive Scheme (Existing Buildings)

The Green Mark Incentive Scheme (Existing Buildings) is used for providing support to private developers and building owners to improve energy efficiency of the existing building stock.

#### (e) Green Mark Incentive Scheme (Design Prototype)

The Green Mark Incentive Scheme (Design Prototype) supports efforts invested into the design stage of green buildings to achieve a higher energy efficient building.

#### Green Mark Incentive Scheme (Existing Buildings and Premises) (f)

The Green Mark Incentive Scheme (Existing Buildings and Premises) is used for providing support to SME building owners and tenants to embark on environmental sustainability and improving energy efficiency (EE) standards of their buildings and premises.

#### Sustainable Construction Capability Development Fund (g)

The Sustainable Construction Capability Development Fund has been set up to develop capabilities of the industry in delivering sustainable materials and adopting sustainable construction methods.

# Notes to the financial statements For the financial year ended 31 March 2015

#### 19. Net assets of trust and agency funds (continued)

(h) Building Retrofit Energy Efficiency Financing Scheme

> The Building Retrofit Energy Efficiency Financing Scheme is used for providing financial assistance to the less financially strong building owners, MCST and Energy Services Companies to carry out building retrofits.

The following fund was granted by the Productivity Fund Administration Board:

(i) Construction Productivity and Capability Fund

> The Construction Productivity and Capability Fund aims to steer the construction sector towards higher productivity and enhanced capability in complex civil engineering and complex building projects.

The following funds were granted by the Singapore Workforce Development Agency with the aim to meet the long term requirements of the building and construction industry for different groups of professionals:

(j) SMU-BCA Advanced Management Programme Course Fee Grant

> The SMU-BCA Advanced Management Programme Course Fee Grant provides support to firms for developing the strategic management capabilities of senior executives to build sustainable competitive advantages for their firms.

Workplace Safety and Health Professionals Workforce Skills Qualifications (k) Framework Grant

The Workplace Safety and Health (WSH) Professionals Workforce Skills Qualifications (WSQ) Framework Grant is aimed at building the pool of skilled workers to meet the long term requirements of the WSH professionals by offering Training and Assessment and Assessment-Only-Pathway leading to qualifications under the WSQ system.

*(I)* Train-and-Place Professional Conversion Programmes Grant

> The Train-and-Place Professional Conversion Programmes Grant provides support to skilled Professionals, Managers, Executives and Technicians (PMETS) from other industries who wish to join the construction industry.

Professional Conversion Programme for Sustainable Design Consultants Grant (m)

The Professional Conversion Programme for Sustainable Design Consultants Grant provides support to firms in building up their expertise and capabilities in the area of green building design.

(n) Core Plus Programme Grant

> The CORE Plus Programme Grant aims to train a pipeline of skilled construction tradesmen who are looking to upgrade their skills or considering a career in the construction and built environment industry.

# Notes to the financial statements For the financial year ended 31 March 2015

# 19. Net assets of trust and agency funds (continued)

### (o) CORE Plus + Programme Grant

The CORE Plus + Programme Grant aims to train a pipeline of skilled construction tradesmen who are looking to upgrade their skills or considering a career in the construction and built environment industry.

The following fund was set up using grants provided by Ministry of National Development and Sino-Singapore Tianjin Eco-City Administrative Committee (ECAC):

# (p) MND-ECAC Research Fund

The MND-ECAC Research Fund was set up to support Green building research and development projects between Singapore and China in the Sino-Singapore Tianjin Eco-City.

The following fund was set up using grants provided by the National Research Fund:

# (q) Energy Innovation Research Programme for Building Energy Efficiency Grant

The Energy Innovation Research Programme for Building Energy Efficiency Grant is meant for the administration and managing of the Energy Innovation Research Programme (EIRP) funding in the area of Building Energy Efficiency and to champion and coordinate green building R&D.

**Group and Authority** 

Details of the trust and agency funds are set out below and have been prepared from the records of the trust and agency funds and reflect only transactions handled by the Group and the Authority:

	Group and Additionty	
	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$
At 1 April Add: Receipts	9,544,346	13,787,123
Grants received	84,021,580	65,411,687
Interest income	16,148	36,039
Others	15,949 	5,975
	84,053,677	65,453,701
Less: Disbursements Grants disbursed to		
- External Parties	(56,639,067)	(53,118,870)
- The Authority	(12,497,973)	(22,543)
Secretariat fee paid to the Authority	(4,400,000)	(16,552,032)
Amounts paid as bank charges	(3,890)	(3,033)
	(73,540,930)	(69,696,478)
At 31 March	20,057,093	9,544,346
Represented by:		
Cash at bank	13,977,623	6,182,323
Cash with AGD	6,079,470	3,362,023
Total cash representing net assets as at 31 March	20,057,093	9,544,346

Notes to the financial statements For the financial year ended 31 March 2015

#### 20. **Share capital**

		Group and Authority		
	2014/2	2014/2015		014
	No. of shares	S\$	No. of shares	S\$
Group and Authority 1 April/31 March	1,000	1,000	1,000	1,000

The shares are held by the Ministry of Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act (Chapter 183).

The holders of these shares are entitled to receive dividends as and when declared by the Authority. These shares carry neither voting rights nor par value.

#### 21. **Capital account**

The Capital Account comprises the carrying amount of property, plant and equipment transferred from the former Building Control Division of the Public Works Department and the net value of assets and liabilities transferred from the former Construction Industry Development Board when the Authority was established on 1 April 1999.

#### 22. Commitment

#### (a) Operating lease commitments - as lessee

Non-cancellable operating lease rentals are payable as follows:

	<b>Group and</b> <b>2014/2015</b> S\$	I Authority 2013/2014 S\$
Within one year Between one year and five years More than five years	91,473,832 96,978,571 67,371,477	110,147,248 179,767,226 26,541,760
	255,823,880	316,456,234

Details of the leases are as follows:

#### (1) Foreign workers' dormitories

The Group leases a number of dormitories under operating leases. The leases typically run for a period of 3 years, with an option to renew the lease after that date. The leases are sublet by the Group to external parties. The lease and sublease expires in between 2015 to 2018.

# Notes to the financial statements For the financial year ended 31 March 2015

#### 22. Commitment (continued)

### Operating lease commitments - as lessee (continued)

#### (2) Integrated Construction and Precast Hubs

The Group leases land for the development of the Integrated Construction and Precast Hubs to the precast industry. The lease is sublet by the Group to external parties. The lease runs for a period of 30 years and expires in 2043.

#### (3)Approved Training and Testing Centre

The Group leases land to the industry to set up and operate the training facility for crane operation courses. The lease runs for a period of 3 years.

#### (4) Office

The Group leases its office/storage space under operating lease for a period of 5 years, with an option to renew the lease after the date.

During the financial year ended 31 March 2015, the Group recognised the following operating lease expenses in the consolidated statement of comprehensive income:

<b>Group and</b> <b>2014/2015</b> S\$	Authority 2013/2014 S\$
73,718,288	55,272,397
1,663,908	1,056,509
117,790	_
7,249,978	4,733,165
2,064,766	3,559,047
84,814,730	64,621,118
	2014/2015 \$\$  73,718,288 1,663,908 117,790 7,249,978 2,064,766

#### (b) Operating lease commitments - as lessor

The Group leases out the foreign workers' dormitories held under operating leases. The Group also leases out the land for the development of the Integrated Construction and Precast Hubs and for the development of the Approved Training and Testing Centre. The future minimum income receivables under noncancellable leases are as follows:

	Group and	Group and Authority		
	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$		
Within one year Between one year and five years	92,354,663 72,407,129	65,921,969 79,485,210		
	164,761,792	145,407,179		
		·		

During the financial year ended 31 March 2015, the Group recognised \$\$8,760,683 (2013/2014: \$\$6,795,903) as income under management fee in the consolidated statement of comprehensive income.

Notes to the financial statements For the financial year ended 31 March 2015

#### 22. **Commitment (continued)**

#### **Capital commitments** (c)

Capital expenditure approved by the Group but not provided for in the financial statements is as follows:

	<b>Group and 2014/2015</b> S\$	Authority 2013/2014 S\$
Amount approved and committed	34,951,422	37,966,715
Amount approved but not committed	431,000	-

#### (d) Other commitments

During FY2012, the Authority had committed to provide a fund of S\$2,000,000 to BCA Centre for Sustainable Buildings Ltd (the "subsidiary") as funding of the operational cost of the subsidiary. The fund is to be reimbursed to the subsidiary based on the actual operating cost incurred from financial years ended 2013 to 2017.

#### 23. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year. The balances are unsecured, interest-free, repayable on demand and to be settled in cash, unless otherwise stated.

# Transactions with government-related entities

The Singapore Government has control over the Authority, as well as Ministries, Organs of States and other Statutory Boards.

### Collectively, but not individually significant transactions

The Authority is a Statutory Board under the Ministry of National Development ("MND"), championing the development of an excellent built environment for Singapore. "Built environment" refers to buildings, structures and infrastructure in our surroundings that provide the setting for the community's activities.

The Authority charges fees for the services provided. Collectively, income generated from the fees received from and provision of training and other services to Ministries, Organs of States and other Statutory Boards constitute 7% (2013/2014: 7%) of the total operating income. Purchase of supplies and services from Ministries, Organs of States and other Statutory Boards constitute 37% (2013/2014: 35%) of the total operating expenditure.

These transactions are conducted in the ordinary course of the Authority's business on terms comparable to those with other entities that are not government-related.

Notes to the financial statements For the financial year ended 31 March 2015

#### 23. Related party transactions (continued)

### Nature and amount of individually significant transactions

The Authority receives operating grants from the MND, which is subject to yearly approval. Operating grants from the MND recognised in the income and expenditure account during the year and grants received in advance from the MND are disclosed in Note 16 to the financial statements.

During the year, the Authority received property, plant and equipment amounting to S\$8,384,266 that was allocated by the MND in connection with the relocation of the Authority to its new office premises. These assets are funded by capital grants from the MND. The property, plant and equipment and capital grants from the MND are disclosed in Note 6 and Note 18 to the financial statements.

During the year, the Authority entered into an agreement with the Housing and Development Board ("HDB"), a Statutory Board under the MND, for the lease of a plot of industrial land. The lease payments to the HDB are disclosed in Note 9 to the financial statements.

### Transactions with other related parties

During the financial year, the Group entered into the following transactions with related parties (i.e. entities in which the Board members have control or joint control) which are not government-related entities:

	Group and Authority	
	2014/2015 20	
	S\$	S\$
Advertisement licence fees	9,027	4,177
Quality assessment and certification fees	617,418	656,459
Course fees	357,139	391,082
Trade test fees	888,965	1,345,110
Staff training expense	(25,969)	_
Purchase of data processing equipment	_	(277,533)
Purchase of office building	(882,673)	(1,665,012)

### Transactions with key management personnel

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The Board members and executive key management are considered as key management personnel of the Group. Executive key management comprises Chief Executive Officer ("CEO"), Managing Director ("MD"), Deputy CEOs, Executive Director, Group Directors (including Acting Group Director), Senior Technical Director and Deputy MD.

Notes to the financial statements For the financial year ended 31 March 2015

#### 23. Related party transactions (continued)

### Transactions with key management personnel (continued)

The compensation to key management personnel is as follows:

	Group and Authority	
	<b>2014/2015</b> S\$	<b>2013/2014</b> S\$
Short-term benefits CPF contributions Post-employment benefits	6,107,859 179,390 25,390	5,233,611 154,186 649,568
Total	6,312,639	6,037,365

#### 24. Fair values of financial instruments

The fair value of financial instruments is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Financial instruments whose carrying amount approximates fair value

Management has determined that the carrying amounts of trade and other receivables, amounts due from its subsidiaries, cash and bank balances, fixed deposits, trade and other payables reasonably approximate their fair values because these are mostly short-term in nature.

#### 25. Financial risk management objectives and policies

The Group and the Authority is exposed to financial risks arising from its operations and the use of financial instruments. The Group has documented financial risk management policies. These policies set out the Group's overall business strategies and its risk management philosophy. The Group's overall financial risk management programme seeks to minimise potential adverse effects of financial performance of the Group. Such written policies are reviewed annually by the management and periodic reviews are undertaken to ensure that the Group's policy guidelines are complied with. The key financial risks arising from the Group's financial instruments are liquidity risk and credit risk.

The Group does not hold or issue derivative financial instruments for trading purposes. The board reviews and agrees policies for managing each of these risks and they are summarised below:

# Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining sufficient cash and cash equivalents to enable them to meet their normal operating commitments.

# Notes to the financial statements For the financial year ended 31 March 2015

### 25. Financial risk management objectives and policies (continued)

### Liquidity risk (continued)

As at 31 March 2015 and 2014, other than the non-current fixed deposits, the financial assets (Total loans and receivable in Note 10 to the financial statements) and financial liabilities (Total financial liabilities carried at amortised cost in Note 14 to the financial statements) have maturity dates of no more than twelve months.

The non-current fixed deposits as at 31 March 2015 have tenors of 18 months (2013/2014: 18 months) and will mature in the year ended 31 March 2017 (2013/2014: 31 March 2016).

### Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Authority's exposure to credit risk arise primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Group and the Authority minimise credit risk by dealing exclusively with high credit rating counterparties.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. A majority of the Group's receivables that are neither past due nor impaired are credit worthy counterparties with good track record of credit history.

In determining the recoverability of a receivable, the Group considers any change in the credit quality of the receivable from the date credit was initially granted up to the end of the reporting period. If the financial condition of the customers were to deteriorate, the Group would be required to record additional impairment losses. Credit risk is limited due to management's on-going evaluation of the credit worthiness of the Group's customers and given that the majority of the Group's trade receivables are within their expected cash collection cycle.

# Credit risk concentration profile

The Group determines concentration of credit risk by monitoring customer profile of its trade and other receivables on an ongoing basis.

At the end of the financial year, approximately 48% (2013/2014: 23%) of the Group's trade receivables were due from 3 (2013/2014: 2) major customers with a total balance of S\$8,087,157 (2013/2014: S\$1,688,293) located in Singapore.

### Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Authority. Cash and cash equivalents are placed with reputable financial institutions with high credit ratings and no history of default.

# Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 10 to the financial statements

Notes to the financial statements For the financial year ended 31 March 2015

#### 26. **Comparative information**

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with current year's financial statements. As a result, certain line items have been amended on the balance sheets and statement of comprehensive income to conform to current year's presentation.

The reclassifications made to the financial statements for the year ended 31 March 2014 are summarised as follows:-

Balance sheets as at 31 March 2014	Previously reported S\$	Reclassifications S\$	As reclassified S\$
Group Non-current assets Fixed deposits	_	1,800,000	1,800,000
Current assets Fixed deposits	4,600,000	(1,800,000)	2,800,000
Statement of comprehensive income for the financial year ended 31 March 2014			
Group			
Operating lease income	55,271,920	1,056,509	56,328,429
Management fees	26,459,416	(1,056,509)	25,402,907
Course and programme expenses Operating lease expenses	(31,972,090) (63,564,609)	1,056,509 (1,056,509)	(30,915,581) (64,621,118)
Authority			_
Operating lease income	55,271,920	1,056,509	56,328,429
Management fees	26,459,416	(1,056,509)	25,402,907
Course and programme expenses	(31,894,635)	1,056,509	(30,838,126)
Operating lease expenses	(63,564,609)	(1,056,509)	(64,621,118)

#### 27. Capital management

The capital structure of the Authority consists of share capital, capital account and accumulated surplus. The Authority manages its capital to ensure it will be able to continue as a going concern and in accordance with the Capital Management Framework formulated by the Ministry of Finance. The framework sets out the basis of equity contribution by the Government to the Authority and the principle of dividend distribution to the Government. The Authority's overall strategy remains unchanged from the previous financial year.

We shape a **safe**, **high quality**, **sustainable** and **friendly** built environment.

